

to \$2.5 million, with additional increments thereafter. The President's health message, however, specifically endorsed only the first of these recommendations.

Probably one of the reasons for this conservative approach was that it is difficult to get the facts on how many technologists are going to be needed—in part because the need is going to depend upon the scope of the programs that finally result from the President's recommendations concerning heart disease, cancer, and stroke. I noticed last month an article in a national magazine which dealt with the problem of clinical laboratory testing and the lack of well-trained medical technologists. It stated that, in addition to the 35,000 employed today, some observers say 50,000 more are needed. If these are reliable figures, we have an idea of the dimensions of the problem.

Perhaps, after I have finished speaking, you can give me some advice on this point. I know that Stonehill has a recognized program for the training of medical technologists which has worked in association with St. Joseph's Hospital in Providence, R.I.; and when I began to think about what I might say to you tonight, it seemed to me that it might be mutually worthwhile if you would tell me whether Federal assistance is needed to assure an adequate supply of these vital workers. Reliable statistics on the dimensions of the need—for example—is one of the first considerations in the drafting of legislation.

I am in sympathy with the problems of the medical technologists. Three or four years ago I addressed the American Society of Medical Technologists, and at that time considered with them the problems facing their very young profession. It is ironic that it is so hard to get the facts concerning this element of the health team that is dedicated to getting the information on which doctors and pathologists rely. But, with the advice of such schools as this, I am prepared to urge the Congress to take whatever action seems appropriate.

Finally, among the necessary legislative measures now before the Congress designed to help build a bridge between the worlds of medical research and medical practice is one left over from the 88th Congress, which must not be postponed again. This measure would authorize assistance in meeting the initial cost of staffing community mental health centers.

When John F. Kennedy suggested to the last Congress the measures that needed to be taken to meet the problems of mental illness and mental retardation—a subject very near to his heart, as you know—he proposed a three-part program. Two parts of this program were enacted by the Congress—grants to the States for the construction of community mental health centers, and grants for preliminary planning of these centers.

The third part of this program—support for the staffing of these centers—was not

provided by the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963. This provision was intended as part of the act and I supported the provision, but, unfortunately, it was deleted in the final version. It is imperative that an amendment to the act pass this Congress, and it must do so quickly, or the entire community mental health centers movement will be placed in jeopardy.

My remarks have not touched upon other matters of interest to this group and to me—for example, my bill to create a new Cabinet-level department of education. But tonight I have chosen to emphasize the 89th Congress and health care because of the extraordinary way in which events have conspired to place us in a position to capitalize on the gains we have made in research in medicine over the past 15 years or more. In the field of medical and health-related care there is no need to wait for opportunity to knock—it is knocking now, on the doors of Congress—and I hope that you will join me in urging passage of the health-related measures I have mentioned tonight. Opportunity is also knocking on the doors of our collective conscience—lives are being lost, while we wait to answer the doors.

Let me urge all of you—as I am urging all Americans—to do everything in your power to assure that this Congress does not miss this opportunity—an opportunity to be known in history as the "medical care" Congress.

HOUSE OF REPRESENTATIVES

WEDNESDAY, JUNE 30, 1965

The House met at 12 o'clock noon.

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

I Thessalonians 5: 21: Prove all things; hold fast that which is good.

Most merciful and gracious God, may Thy servants daily sense Thy presence and power in this Chamber as they seek to discharge their duties and responsibilities with wisdom and understanding, with fidelity and fortitude.

We humbly beseech Thee that when moods of anxiety and doubt lay hold upon us we may be assured that Thou wilt strengthen and guide us in our efforts and endeavors to safeguard our heritage of freedom and share it with all mankind.

Show us how we may be channels of inspiration and instruments of help and hope to all who are longing and laboring for the dawning of that brighter and better day when a nobler and more magnanimous spirit shall rule the mind of man and all nations shall follow the ways of reason and righteousness.

Hear us in Christ's name. Amen.

THE JOURNAL

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

MESSAGE FROM THE SENATE

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

H.R. 8147. An act to amend the tariff schedules of the United States with respect to the exemption from duty for returning residents, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BYRD of Virginia, Mr. LONG of Louisiana, Mr. SMATHERS, Mr. CARLSON, and Mr. MORTON to be the conferees on the part of the Senate.

REREFERRAL OF SENATE JOINT RESOLUTION 1 TO COMMITTEE ON CONFERENCE

Mr. CELLER. Mr. Speaker, I ask unanimous consent that the conference report on Senate Joint Resolution 1, concerning the amendment involving Presidential inability, be referred to the committee on conference because of a technical error in copying.

The SPEAKER. The gentleman from New York requests unanimous consent that Senate Joint Resolution 1 be recommitted to the committee on conference.

Mr. POFF. Mr. Speaker, reserving the right to object, and I shall not object, I am familiar with the reason for the request and join in the request.

Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

TO AMEND TARIFF SCHEDULES OF THE UNITED STATES WITH RESPECT TO THE EXEMPTION FROM DUTY FOR RETURNING RESIDENTS AND FOR OTHER PURPOSES

Mr. MILLS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 8147) to

amend the tariff schedules of the United States with respect to the exemption from duty for returning residents, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

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

The Chair hears none, and appoints the following conferees: Messrs. MILLS, KING of California, BOGGS, BYRNES of Wisconsin, and CURTIS.

PRESIDENTIAL INABILITY AND VACANCIES IN THE OFFICE OF THE VICE PRESIDENT

Mr. CELLER submitted the following conference report and statement on the joint resolution (S.J. Res. 1) proposing an amendment to the Constitution of the United States relating to succession to the Presidency and Vice-Presidency and to cases where the President is unable to discharge the powers and duties of his office.

CONFERENCE REPORT (REPORT NO. 564)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the joint resolution (S.J. Res. 1) proposing an amendment to the Constitution of the United States relating to succession to the Presidency and Vice-Presidency and to cases where the President is unable to discharge the powers and duties of his office, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

"That the following article is proposed as an amendment to the Constitution of the

United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States within seven years from the date of its submission by the Congress:

“ARTICLE —

“SECTION 1. In case of the removal of the President from office or of his death or resignation, the Vice President shall become President.

“SEC. 2. Whenever there is a vacancy in the office of the Vice President, the President shall nominate a Vice President who shall take office upon confirmation by a majority vote of both Houses of Congress.

“SEC. 3. Whenever the President transmits to the President pro tempore of the Senate and the Speaker of the House of Representatives his written declaration that he is unable to discharge the powers and duties of his office, and until he transmits to them a written declaration to the contrary, such powers and duties shall be discharged by the Vice President as Acting President.

“SEC. 4. Whenever the Vice President and a majority of either the principal officers of the executive departments or of such other body as Congress may by law provide, transmit to the President pro tempore of the Senate and the Speaker of the House of Representatives their written declaration that the President is unable to discharge the powers and duties of his office, the Vice President shall immediately assume the powers and duties of the office as Acting President.

“Thereafter, when the President transmits to the President pro tempore of the Senate and the Speaker of the House of Representatives his written declaration that no inability exists, he shall resume the powers and duties of his office unless the Vice President and a majority of either the principal officers of the executive department or of such other body as Congress may by law provide, transmit within four days to the President pro tempore of the Senate and the Speaker of the House of Representatives their written declaration that the President is unable to discharge the powers and duties of his office. Thereupon Congress shall decide the issue, assembling within forty-eight hours for that purpose if not in session. If the Congress, within twenty-one days after receipt of the latter written declaration, or, if Congress is not in session, within twenty-one days after Congress is required to assemble, determines by two-thirds vote of both Houses that the President is unable to discharge the powers and duties of his office, the Vice President shall continue to discharge the same as Acting President; otherwise, the President shall resume the powers and duties of his office.”

And the House agree to the same.

EMANUEL CELLER,
BYRON G. ROGERS,
JAMES C. CORMAN,
WILLIAM M. McCULLOCH,
RICHARD H. POFF,

Managers on the Part of the House.

BIRCH E. BAYH, JR.,
JAMES O. EASTLAND,
SAM J. ERVIN, JR.,
EVERETT M. DIRKSEN,
ROMAN L. HRUSKA,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S.J. Res. 1) proposing an amendment to the Constitution of the United States relating to succession to the Presidency and Vice-Presidency and to cases where the President is unable to discharge the powers and duties of his office, submit the following statement in explanation of

the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The House passed House Joint Resolution 1 and then substituted the provisions it had adopted by striking out all after the enacting clause and inserting all of its provisions in Senate Joint Resolution 1. The Senate insisted upon its version and requested a conference; the House then agreed to the conference. The conference report recommends that the Senate recede from its disagreement to the House amendment and agree to the same with an amendment, the amendment being to insert in lieu of the matter inserted by the House amendment the matter agreed to by the conferees and that the House agree thereto.

In substance, the conference report contains substantially the language of the House amendment with a few exceptions.

Sections 1 and 2 of the proposed constitutional amendment were not in disagreement. However, in sections 3 and 4, the Senate provided that the transmittal of the notification of a President's inability be to the President of the Senate and the Speaker of the House of Representatives. The House version provided that the transmittal be to the President pro tempore of the Senate and the Speaker of the House of Representatives. The conference report provides that the transmittal be to the President pro tempore of the Senate and the Speaker of the House of Representatives.

In section 3, the Senate provided that after receipt of the President's written declaration of his inability that such powers and duties would then be discharged by the Vice President as Acting President. The House version provided the same provision except it added the clause “and until he transmits a written declaration to the contrary”. The conference report adopts the House language with one minor change for purposes of clarification by adding the phrase “to them”, meaning the President pro tempore of the Senate and the Speaker of the House.

The first paragraph of section 4, outside of adopting the language of the House designating the recipient of the letter of transmittal be the President pro tempore of the Senate and the Speaker of the House of Representatives, minor change in language was made for purposes of clarification.

In the Senate version there was a specific section; namely, section 5, dealing with the procedure that when the President sent to the Congress his written declaration that he was no longer disabled he could resume the powers and duties of his office unless the Vice President and a majority of the principal officers of the executive departments, or such other body as the Congress might by law provide, transmit within 7 days to the designated officers of the Congress their written declaration that the President is unable to discharge the powers and duties of his office. Thereupon, the Congress would immediately proceed to decide the issue. It further provided that if the Congress determines by two-thirds vote of both Houses that the President is unable to discharge the powers and duties of his office, the Vice President would continue to discharge the same as Acting President; otherwise, the President would resume the powers and duties of his office.

The House version combined sections 4 and 5 into one section, now section 4. Under the House version, the Vice President had 2 days in which to decide whether or not to send a letter stating that he and a majority of the officers of the executive departments, or such other body as Congress may by law provide that the President is unable to discharge the powers and duties of his office. The conference report provides that the period of time for the transmittal of the letter must be within 4 days.

The Senate provision did not provide for the convening of the Congress to decide this issue if it was not in session; the House provided that the Congress must convene for this specific purpose of deciding the issue within 48 hours after the receipt of the written declaration that the President is still disabled. The conference report adopts the language of the House.

The Senate provision placed no time limitation on the Congress for determining whether or not the President was still disabled. The House version provided that determination by the Congress must be made within 10 days after the receipt of the written declaration of the Vice President and a majority of the principal officers of the executive departments, or such other body as Congress may by law provide. The conference report adopts the principle of limiting the period of time within which the Congress must determine the issue, and while the House original version was 10 days and the Senate version an unlimited period of time, the report requires a final determination within 21 days. The 21-day period, if the Congress is in session, runs from the date of receipt of the letter. It further provides that if the Congress is not in session, the 21-day period runs from the time that the Congress convenes.

A vote of less than two-thirds by either House would immediately authorize the President to assume the powers and duties of his office.

EMANUEL CELLER,
BYRON G. ROGERS,
JAMES C. CORMAN,
WILLIAM M. McCULLOCH,
RICHARD H. POFF,

Managers on the Part of the House.

Mr. CELLER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the joint resolution (S.J. Res. 1) proposing an amendment to the Constitution of the United States relating to succession to the Presidency and Vice-Presidency and to cases where the President is unable to discharge the powers and duties of his office, and I ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the joint resolution.

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

There was no objection.

The Clerk read the statement.

Mr. CELLER. Mr. Speaker, today we write on the tablets of history. We amend the Constitution, which Gladstone, speaking in 1898, hailed as the most wonderful work struck off at a given time by the brain and purpose of man.

The United States has two great symbols of her freedom and liberty. One is the Declaration of Independence and the other is the Constitution. The Declaration is the profession of faith, while the Constitution is its working instrument. It gives action to that faith.

There is no document in any country that can compare with our Constitution. It is the touchstone of our prowess and progress as a nation. Most countries envy us our Constitution.

The Constitution has such elasticity that it remains vital throughout the decades, but it is not immutable. It is not written in stone on Mount Sinai.

Associate Supreme Court Justice Oliver Wendell Holmes once said:

The Constitution is an experiment, as all life is an experiment. If new contingencies arise the Constitution must be made to fit them either by interpretation of fearless judges aware of historical perspective or by amendment.

Jefferson called the Constitution "the ark of our safety and grand palladium of our peace and happiness." He also said:

We must be content to accept of its good and to cure what is evil in it, hereafter (1788).

Years later, in 1823, he said:

The States are now so numerous that I despair of ever seeing another amendment to the Constitution; although innovations of time will certainly call and now already call for some.

Note his prescience.

Let it be emphasized; we never should amend this charter for light or transient reasons. Only for just cause shown should we attempt any change. What we do today is epoch making. We offer an amendment for an overriding reason.

I would like to remind the Members that the House Committee on the Judiciary has been studying this problem since 1955 and has examined it from every conceivable angle. We have had the benefit of the testimony of political scientists, constitutional experts, the American Bar Association, and other groups who had no motive other than to serve this country by closing a gap which had existed since the adoption of the Constitution.

The Constitution was silent, too silent concerning presidential inability. Tragic events had cast ominous shadows which we dared no longer disregard. The assassin's bullet and possible nuclear holocaust forced action.

We, the conferees worked dispassionately and with searching inquiry after both Houses had responded to the call for action. We met in numerous conclaves and finally rounded out differences. We labored hard and patiently. We accepted the pace of Nature, for is not patience her secret? We examined all contingencies and possibilities. We present a solution that is ample, wise, and practicable.

May I at this time pay tribute to the gentleman from Ohio [Mr. McCulloch] and the gentleman from Virginia [Mr. Poff], both on the Republican side, and to the gentleman from Colorado [Mr. Rogers] and the gentleman from California [Mr. Corman] on the Democratic side—all conferees—who rendered painstaking and dedicated and wise services in the conference. They were of immeasurable help in the conference with the Senators. I am deeply grateful to them.

Mr. Poff. Mr. Speaker, the conference report represents a compromise. That word should be understood not as an apology for a concession but as a justification for an achievement, an achievement in the highest traditions of legislative and constitutional craftsmanship. It is an accommodation and an accord of viewpoints which once were

widely divergent and now, happily, are concordant. The business of the Nation, left unattended for a century because too controversial, has been performed and the controversy has been resolved.

Aside from minor, relatively inconsequential language differences, the House version and the Senate version were substantially equivalent in all but four major particulars.

The first major difference was in section 3. That is the section under which the President can voluntarily vacate his office and vest the Vice President as Acting President with the powers and duties of his office. The difference was in the mechanics of resumption of power by the President. Under the Senate version, the mechanics outlined in sections 4 and 5 would apply. Those mechanics involved first, a declaration of restoration by the President; second, an opportunity for a challenge by the Vice President transmitted to the Congress; and third, the possibility of congressional approval of the Vice President's challenge. The House version did not acuate the mechanics of sections 4 and 5. Rather, it was felt that a distinction should be made between section 3 authorizing voluntary withdrawal of the President and section 4 authorizing involuntary removal of the President by the Vice President. The House felt that the President would be reluctant to utilize section 3 if to do so exposed himself to the possibility of the Vice Presidential challenge and congressional action when he decided to resume the office. Accordingly, section 3 of the House version provided that the President who used the provisions of section 3 could promptly restore himself to his office simply by transmitting a written declaration to the two Houses of Congress.

The conference report—after adding two words of clarification—accepted the House version.

The second major difference between the two versions was in the mechanics of restoration in sections 4 and 5. In the Senate version, the Vice President as Acting President, was allowed 7 days in which to make a decision about challenging the President's declaration of restoration. The House version was 2 days. By way of compromise, the conference report recommends 4 days. The conferees intend that the 4-day period be interpreted as an outside limitation on the time in which the Vice President may consider making a challenge; it is not necessary that the President wait 4 days to resume his office if he and the Vice President mutually agree that he do so earlier.

The third major difference involves a procedural uncertainty which Speaker McCORMACK during House debate recognized might cause calamitous consequences. Under the Senate version, the Vice President's challenge of the President's declaration of restoration had the effect of submitting the dispute between the two men to the Congress for settlement. However, it simply instructed Congress "to immediately proceed to decide the issue." This left unclear what delay might occur in the event the Congress was in recess when it received the

Vice President's challenge. Under the House version, the Congress, if not in session, is required to assemble "within 48 hours" to decide the issue.

The conference report accepts the House version.

The fourth major difference is a conceptual difference. Under the Senate version, the Congress having received the Vice President's challenge was empowered to act upon it and if it upheld the challenge by a two-thirds vote, the Vice President would continue to hold office as Acting President; otherwise, the President would resume his office. The House version was essentially the same except that it imposed a 10-day limitation upon congressional action. It said that if the Congress did challenge within 10 days after receipt, then the President would resume his office. The House approach guaranteed that any delay on the part of Congress, whether accidental and unavoidable or intentional and purposeful, would operate in favor of the President elected by the people.

The conference report adopts the concept of a time limitation but increases the time limit from 10 days to 21 days, and if the Congress is in recess when the Vice President's challenge is received, then the 21 days begin to run from the day Congress reconvenes.

No one should assume that House insistence upon a time limit was a criticism of the Senate. It is true that the rules of the other body permit unlimited debate and a small minority of Senators hostile to the President and loyal to the Vice President as Acting President could, in the absence of a time limit, make a great deal of public mischief at a most critical time in the life of the Nation. It is no less true that such mischief could be wrought by a small dedicated band of enemies of the President in the House. By tedious invocation of the technical rules of procedure, that little band could frustrate action on the Vice President's challenge for a protracted period of time, during which the Vice President would continue to serve as Acting President and the President, knocking on his own door for readmission, would be kept standing outside. If this little band happened to be one more than half the membership of the House, their task would be much easier, because they could simply meet and adjourn every third day without any action at all. Thus, more than half but less than two-thirds could effectively accomplish by inaction the same thing it would take two-thirds to accomplish by vote if there is no time limit in the Constitution. The conference committee understood this danger, and that is why the 21-day provision is in the conference report.

Several matters need to be clearly established by legislative history. First of all, the conferees unanimously intend that the 21-day period be considered an outside limitation and should in no wise be interpreted to encourage a delay longer than necessary. Indeed, in the face of such a crisis as the Nation would face at a time when section 4 would become operable, the conferees feel that both Houses of Congress should act with the least possible delay.

Secondly, the conferees unanimously intend that should one House of the Congress proceed to a vote on the Vice President's challenge and less than two-thirds of its Members vote to uphold the challenge, this action shall have the effect of restoring the President immediately to his office, even though the other House has not yet acted.

Mr. Speaker, I have no fear but that this conference report will be adopted by a two-thirds vote. But I am prompted to express the hope and the plea that it will be adopted by a unanimous vote, and with such a congressional blessing, the proposal would, I am confident, be ratified by three-fourths of the States before the end of next year.

Mr. BOLAND. Mr. Speaker, I would like to take this opportunity to associate myself with the distinguished majority leader and minority whip in expressing my gratitude and admiration for the chairman of the Committee on the Judiciary and the dean of the House, the gentleman from New York [Mr. CELLER].

Today is a very suitable occasion: for we have just given final House approval to a proposed constitutional amendment making necessary provisions for the continuance of orderly government and Executive responsibility in the case of Presidential disability or a vacancy in the Vice-Presidency. This legislation exhibits the genius and diligence which have been characteristic of all the undertakings of Mr. CELLER in his many years of service to the Nation and to this House.

His decades of service in the National Congress, his noteworthy legal career, and a sound understanding of the necessities and needs of the American Constitution have all contributed to make our dean of the House a recognized leader in legal and constitutional matters, and a spokesman who must be heard. This House has heard Mr. CELLER and his Judiciary Committee in approving this legislation today. This is a great tribute to the chairman and his committee who have gone a long way toward effecting eventual incorporation of this greatly needed provision into our Constitution.

Mr. Speaker, I include with my remarks at this point in the RECORD an editorial taken from the Springfield, Mass., Daily News of June 29, 1965, entitled "When the President Is Disabled":

WHEN THE PRESIDENT IS DISABLED

A compromise formula for correcting a major flaw in the Constitution of the United States; namely, the lack of a provision for filling the Vice-Presidency when the office becomes vacant or for making the Vice President a temporary Acting President in case the President of the United States should become disabled, has been reached by Senate and House conferees. It will now go before Congress for approval and then to the States for ratification.

The way the plan would operate is that if the President felt himself unable to perform his duties he would simply notify the Speaker of the House of Representatives and the President pro tempore of the Senate of his disability. The Vice President would then take over immediately as Acting President. In the event of a President so disabled as to be unable to notify Congress of his disability or if he should refuse to admit

he is disabled, the situation would be handled this way. The Vice President and a majority of the members of the President's Cabinet would sign a written declaration that the President was disabled and send the declaration to Congress. The Vice President would then become Acting President, just as though the President himself had declared his own disability.

The need for this constitutional amendment is generally accepted. On at least two occasions, because there was no such provision, the executive branch of the Federal Government has been virtually paralyzed because of this constitutional lack. President James A. Garfield lived for 80 days after being shot in 1881, but his Vice President felt he had not the right to take over. President Woodrow Wilson served for 18 months while paralyzed with a stroke, but many believe that his wife and the Cabinet really governed. There are also the cases of two other Presidents who were disabled. President William McKinley survived for 8 days after being shot in 1901, and the business of Government came to a halt. Most recently, President Dwight D. Eisenhower suffered a coronary thrombosis in 1955 and was almost completely isolated for a week and hospitalized for 6 weeks.

The proposed amendment to the Constitution also covers a vacancy in the Vice-Presidency. It provides that the President shall nominate a Vice President who shall take office upon confirmation by a majority vote of both Houses of Congress. This is the first provision ever made for filling such a gap, which has existed often in this country. Not many, probably, realize it, but in the 176 years since John Adams became the first Vice President of the United States, the Nation has functioned without a Vice President on 16 occasions for a total of 37 years, which is roughly one-fifth of the time the Federal Government has been in operation.

Here is what happened to Vice Presidents who failed to complete their terms: George Clinton died April 20, 1812, 10 months before his term expired; Elbridge Gerry died November 23, 1814, 2 years before his term expired; John C. Calhoun resigned December 28, 1832, with 2 months to serve, to become a U.S. Senator; John Tyler became President April 6, 1841, almost 4 years before his term expired, replacing President William H. Harrison, who died; Millard Fillmore became President July 10, 1850, 2 years and 8 months before his term expired, succeeding President Zachary Taylor, who died; William R. King died April 19, 1853, with almost 4 years to serve; Andrew Johnson became President April 15, 1865, with 3 years and 11 months to serve, replacing President Abraham Lincoln, who was assassinated; Henry Wilson died in office November 22, 1875, a year and 3 months before the end of his term; Chester A. Arthur became President September 20, 1881, with 3 years and 5 months to serve, succeeding President James A. Garfield, who was assassinated; Thomas A. Hendricks died November 25, 1885, with 3 years and 3 months to serve; Garret A. Hobart died November 21, 1899, a year and 3 months before his term expired; Theodore Roosevelt became President September 14, 1901, with 3 years and 6 months to serve, when President William McKinley was murdered; James A. Sherman died October 30, 1912, 4 months before his term expired; Calvin Coolidge became President August 3, 1923, with a year and 7 months to serve, when President Warren G. Harding died; Harry S. Truman became President April 12, 1945, with 3 years and 9 months to serve, when President Franklin D. Roosevelt died; and Lyndon B. Johnson became President November 23, 1963, with a year and 2 months to serve, when President John F. Kennedy was assassinated.

A way has now been found to overcome a serious constitutional weakness. It may not

be ideal, but it is far preferable to the present void. It deserves prompt approval by Congress and ratification by the States.

Mr. ROYBAL. Mr. Speaker, I rise to urge prompt ratification by the legislatures of the several States of the proposed 25th amendment to the Constitution relating to succession to the Presidency and Vice-Presidency and to cases where the President is unable to discharge the powers and duties of his office.

This proposed amendment, overwhelmingly adopted by both House and Senate, can be of vital importance in helping clear up some 175 years of constitutional uncertainty and in assuring the continuity of the legal Government of the United States whenever the questions of Presidential disability or succession arise, or a vacancy in the office of the Vice President occurs.

As cosponsor of the joint congressional resolution which proposed the amendment, I believe we have come to realize more fully than ever before, especially since the tragic assassination of our late beloved President John F. Kennedy, that we can no longer afford, in this nuclear space age, to gamble with the future stability of our Government by leaving its fate to the uncertain whims of chance.

Nothing less than the safe and sure continuity of the legal Government of the United States is at stake. This essential continuity has been endangered many times in the past, and in some instances, only good fortune has prevented possible disaster.

For more than a year after Lyndon Johnson became President, our national luck held out, and we were all witnesses to an impressive demonstration of the true inner strength of America's democratic traditions.

The new President firmly and quickly took up the reins of leadership, to assure continuity of the Government in the midst of a great constitutional crisis, to begin to heal the Nation's wounds, and to reestablish in our people a sense of unity and brotherhood and faith in the future.

This experience has again focused public attention on the critical issue of Presidential and Vice-Presidential succession, as well as the related, and in some ways more difficult, problem of Presidential disability.

As a result, there has developed a strong national consensus in favor of resolving these issues in a positive way, so that there will be no doubt concerning the constitutional provisions for handling such problems in the future.

As an affirmative response to the need for a solution to these problems, the joint congressional resolution proposes to amend the Constitution in three respects: first, it confirms the established custom that a Vice President, succeeding to a vacancy in the office of the President, becomes President in his own right instead of merely Acting President; second, it establishes a procedure for filling a vacancy in the office of Vice President; and third, it deals with the problem of Presidential disability.

Section 1 of the proposed amendment provides that in the case of the removal of the President from office, or of his

death or resignation, the Vice President shall become President.

Section 2 provides that in the event of a Vice-Presidential vacancy, the President can nominate a new Vice President, who will take office when he has been confirmed by a majority vote of both Houses of Congress.

Section 3 enables a President to declare his own disability to exercise the powers and duties of his office, thus voluntarily turning over those powers and duties, but not the office, to the Vice President who then becomes Acting President, until such time as the President declares that the disability no longer exists, and he resumes the powers and duties of his office.

In the absence of a Presidential declaration of disability, section 4 permits the Vice President, with the approval of a majority of the Cabinet, or such other body as Congress may stipulate, to make such a declaration, and to assume the presidential responsibilities as Acting President. It also provides for quick and orderly congressional resolution of any dispute over the President's ability, by authorizing him to resume discharging the powers and duties of his office unless two-thirds of both House and Senate agree with the Vice President and a majority of the Cabinet—or such other body as Congress has stipulated—that the President is unable to perform those duties.

This proposed amendment, though not perfect, represents a sincere effort on the part of many persons who have studied the admittedly complicated issues involved to offer a workable means of solving difficult and delicate problems affecting the continuity and perhaps even the life of our Government.

A variety of suggestions have been made to improve this proposed amendment, and Congress has given full and thorough consideration to all these suggestions, and, in fact, has incorporated several of them into the joint resolution.

For these reasons, Mr. Speaker, I strongly urge our State legislatures to act without unnecessary delay, for the subject is important to the future stability and peace of this Nation, and we cannot afford the risk that further delay would entail in this vital matter.

As President Johnson stated in his message to Congress:

Favorable action * * * will, I believe, assure the orderly continuity in the Presidency that is imperative to the success and stability of our system.

Action * * * now will allay future anxiety among our people—and among the peoples of the world—in the event senseless tragedy or unforeseeable disability should strike again at either or both of the principal offices of our constitutional system.

If we act now, without undue delay, we shall have moved closer to achieving perfection of the great constitutional document on which the strength and success of our system have rested for nearly two centuries.

Mr. CELLER. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered. The SPEAKER. The question is on the conference report.

The question was taken; and (two-thirds having voted in favor thereof) the conference report was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. CELLER. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to extend their remarks in the RECORD on the conference report just agreed to.

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

There was no objection.

TRIBUTE TO HONORABLE H. R. GROSS

Mrs. BOLTON. 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 gentlewoman from Ohio?

There was no objection.

Mrs. BOLTON. Mr. Speaker, may I have the attention of the House?

I rise today to ask all of you to pay honor to a man whom I have grown to admire very much. He is one of the hornets in the House. He is one of the most hard working men, if not the most hard working man, in the House. He is very much beloved by many people and he is just not liked too much by others. But he is a wonderful person and he is a marvelous Member. He is an example to all of us about doing our homework.

This is his birthday. I hope very much that you will join me in wishing him many more years of the service he has been rendering, assuring him of our appreciation of his amazing capacity, his loyalty, and his patriotism.

I give you the distinguished gentleman from Iowa, H. R. GROSS.

A MEMORABLE DAY

Mr. ALBERT. 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 Oklahoma?

There was no objection.

Mr. ALBERT. Mr. Speaker, this is a memorable day in the history of the House and in the life of one of the most distinguished men ever to serve in the House. The House has just adopted the conference report on the constitutional amendment dealing with Presidential disability and succession, which has been managed from its beginning by the distinguished dean of the House, the gentleman from New York [Mr. CELLER].

Also of historical significance is the fact that this is the third constitutional amendment which has been shepherded through the House by our distinguished friend from New York. He also authored and brought out of his committee and

through the House the constitutional amendment dealing with poll taxes and the constitutional amendment dealing with the right of citizens of the District of Columbia to vote in presidential elections. This is a great milestone in the legislative career of one of our Members.

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

Mr. ALBERT. I will be glad to yield to the gentleman.

Mr. BOGGS. I would like to join in the tribute that our distinguished majority leader is paying to the dean of the House of Representatives. In the first place, this is a most significant amendment to our Constitution. I had the responsibility of serving on the Assassination Commission. One of the alarming things about that sad duty was the fact that we had not adequately provided for the succession of the Chief of State of the United States of America.

The distinguished gentleman has done an outstanding job. I think there is no Member more beloved than MANNY CELLER of New York. Some may disagree with him on occasion, as all of us are inclined to disagree with one another. But no person could conceivably question his fairness and his great love for the House of Representatives.

So I am proud, indeed, to join in this tribute.

Mr. ALBERT. Mr. Speaker, I thank the gentleman.

Mr. Speaker, along with commending our great chairman, I should also like to commend all members of the Committee on the Judiciary on both sides of the House who have performed a great service to the Congress and to the country.

HAPPY BIRTHDAY, MR. GROSS

Mr. HALL. 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 Missouri?

There was no objection.

Mr. HALL. Mr. Speaker, when one addresses his remarks to the 10th birthday of the Republic of the Congo, such remarks might well "scoop me" on the subject of the birthday of a great Republican in the Congress. However, quite properly the gentlewoman from Ohio [Mrs. BOLTON] did "scoop me" in my remarks about the great Iowan's [Mr. GROSS] natal date; in which all have so enthusiastically responded to the arrival of his 66th year, which is over and above the call of service and the age of retirement. This droll gentleman, this watchdog of the Treasury, this radio reporter of early and extraordinary vintage, this stanch advocate, considered irascible by some but loved by all, and particularly his lovely wife and fine sons, son of the soil from the great farm State of Iowa, trained in Missouri, this friendly statesman, leads me to honor his birthday, by further leave of the Speaker, to make a point of order that there is no quorum present.

Mr. GERALD R. FORD. Mr. Speaker, will the gentleman from Missouri yield to me?

Mr. HALL. I am glad to yield to the distinguished minority leader.

Mr. GERALD R. FORD. Mr. Speaker, unfortunately, because of minority business I was not present when remarks were made by many Members on the floor concerning the birthday anniversary of our colleague, H. R. Gross, from the State of Iowa. I should like to join with all who have spoken on his behalf. I wish him well for many, many more years both in the House and otherwise.

CALL OF THE HOUSE

Mr. HALL. Mr. Speaker, I make the point or 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. 161]

Addabbo	Holland	Rostenkowski
Bonner	Keogh	Shipley
Bow	Long, La.	Springer
Brown, Ohio	Martin, Mass.	Steed
Cahill	Morrison	Thomas
Cheif	Morton	Toll
Dent	Passman	Tupper
Evins, Tenn.	Pool	Willis
Harvey, Ind.	Powell	

The SPEAKER. On this rollcall 406 Members have answered to their names, a quorum.

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

HOUSING AND URBAN DEVELOPMENT ACT OF 1965

Mr. PATMAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 7984) to assist in the provision of housing for low- and moderate-income families, to promote orderly urban development, to improve living environment in urban areas, and to extend and amend laws relating to housing, urban renewal, and community facilities.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 7984), with Mr. Flood in the chair.

The CHAIRMAN. When the Committee rose on yesterday the Clerk had read through section 101, ending on line 7, page 7 of the bill.

AMENDMENT OFFERED BY MR. STEPHENS

Mr. STEPHENS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. STEPHENS: Strike out section 101 (beginning on page

2, line 3, and ending page 7, line 7) and insert the following:

"FINANCIAL ASSISTANCE TO ENABLE CERTAIN PRIVATE HOUSING TO BE AVAILABLE FOR LOWER INCOME FAMILIES WHO ARE ELDERLY, HANDICAPPED, DISPLACED, OR OCCUPANTS OF SUBSTANDARD HOUSING

"SEC. 101. (a) The Housing and Home Finance Administrator (hereinafter referred to as the 'Administrator') is authorized to make, and contract to make, annual payments to a 'housing owner' on behalf of 'qualified tenants', as those terms are defined herein, in such amounts and under such circumstances as are prescribed in or pursuant to this section. In no case shall a contract provide for such payments with respect to any housing for a period exceeding forty years. The aggregate amount of the contracts to make such payments shall not exceed amounts approved in appropriation acts and shall not exceed \$30,000,000 per annum prior to July 1, 1966, which maximum dollar amount shall be increased by \$35,000,000 on July 1, 1966, by \$40,000,000 on July 1, 1967, and by \$45,000,000 on July 1, 1968.

"(b) As used in this section, the term 'housing owner' means a private nonprofit corporation or other private nonprofit legal entity, a limited dividend corporation or other limited dividend legal entity, or a cooperative housing corporation, which is a mortgagor under section 221(d)(3) of the National Housing Act and which, after the enactment of this section, has been approved for mortgage insurance thereunder and has been approved for receiving the benefits of this section: *Provided*, That no payments under this section may be made with respect to any property financed with a mortgage receiving the benefits of the interest rate provided for in the proviso in section 221(d)(5) of that Act.

"(c) As used in this section, the term 'qualified tenant' means any individual or family who has, pursuant to criteria and procedures established by the Administrator, been determined—

"(1) to have an income below the maximum amount which can be established in the area, pursuant to the limitations prescribed in section 2(2) of the United States Housing Act of 1937, for occupancy in public housing dwellings; and

"(2) to be one of the following—

"(A) displaced by governmental action;

"(B) sixty-two years of age or older (or, in the case of a family, to have a head who is, or whose spouse is, sixty-two years of age or over);

"(C) physically handicapped (or, in the case of a family, to have a head who is, or whose spouse is, physically handicapped); or

"(D) occupying substandard housing.

"(d) The amount of the annual payment with respect to any dwelling unit shall not exceed the amount by which the fair market rental for such unit exceeds one-fourth of the tenant's income as determined by the Administrator pursuant to procedures and regulations established by him.

"(e) (1) For purposes of carrying out the provisions of this section, the Administrator shall establish criteria and procedures for determining the eligibility of occupants and rental charges, including criteria and procedures with respect to periodic review of tenant incomes and periodic adjustment of rental charges. The Administrator shall issue, upon the request of a housing owner, certificates as to the following facts concerning the individuals and families applying for admission to, or residing in, dwellings of such owner:

"(A) the income of the individual or family; and

"(B) whether the individual or family was displaced by governmental action, is elderly, is physically handicapped, or is (or was) occupying substandard housing.

"(2) Procedures adopted by the Administrator hereunder shall provide for recertifications of the incomes of occupants, except the elderly, at intervals of two years (or at shorter intervals in cases where the Administrator may deem it desirable) for the purpose of adjusting rental charges and annual payments on the basis of occupants' incomes, but in no event shall rental charges adjusted under this section for any dwelling exceed the fair market rental of the dwelling.

"(3) The Administrator may enter into agreements, or authorize housing owners to enter into agreements, with public or private agencies for services required in the selection of qualified tenants, including those who may be approved, on the basis of the probability of future increases in their incomes, as lessees under an option to purchase (which will give such approved qualified tenants an exclusive right to purchase at a price established or determined as provided in the option) dwellings or cooperative ownership interests therein, and in the establishment of rentals. The Administrator is authorized (without limiting his authority under any other provision of law) to delegate to any such public or private agency his authority to issue certificates pursuant to this subsection.

"(f) Section 101(c) of the Housing Act of 1949 is amended by inserting '(1)' after 'a mortgage under' in the first proviso and by inserting immediately before the colon at the end of such proviso the following: ', or (1) section 221(d)(3) of the National Housing Act if payments with respect to the mortgaged property are made or are to be made under section 101 of the Housing and Urban Development Act of 1965, except that no such mortgage shall be insured, and no commitment to insure such a mortgage shall be issued, with respect to property in any community for which a workable program for community improvement was required and in effect at the time a contract for a loan or capital grant was entered into under this title, or a contract for annual contributions or capital grants was entered into pursuant to the United States Housing Act of 1937, unless there is a workable program for community improvement which meets the requirements of this subsection in effect in such community at the time of such insurance or commitment'.

"(g) The Administrator is authorized to make such rules and regulations, to enter into such agreements, and to adopt such procedures as he may deem necessary or desirable to carry out the provisions of this section. Nothing contained in this section shall affect the authority of the Federal Housing Commissioner with respect to any housing assisted under this section and under section 221(d)(3) of the National Housing Act, including his authority to prescribe occupancy requirements under other provisions of law or to determine the portion of any such housing which may be occupied by qualified tenants.

"(h) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section, including, but not limited to, such sums as may be necessary to make annual payments as prescribed in this section, pay for services provided under (or pursuant to agreements entered into under) subsection (e), and provide administrative expenses.

"(i) Section 114(c)(2) of the Housing Act of 1949 is amended by inserting before the colon at the end of the first proviso the following: ', or a dwelling unit assisted under section 101 of the Housing and Urban Development Act of 1965.'

"(j) On or before January 1, 1968, the Administrator shall submit to the Congress a full report of operations under this section, together with his recommendations with respect thereto."

Mr. STEPHENS. Mr. Chairman, I ask unanimous consent to have an additional 5 minutes to explain my amendment.

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

There was no objection.

Mr. STEPHENS. Mr. Chairman, for the 5 years I have been here I have had people come up here many times and ask of me: "What good does debate do on the floor of the House?"

Many times they find people not here or not listening. These are during periods of unimportance. But I think we have an example today in this amendment of what good debate does accomplish on the floor of the House in a discussion and a thorough airing before the Members of the House on a bill which was voted out of committee by 10 to 1. We thought we had a good bill.

This was a bill we thought we had perfected. What my amendment does is to establish five points. Those five points are points that have been brought to my attention and to the attention of the Members in debate on this side, and by Members on the other side. These are not necessarily in the order in which they appear in the amendment.

The first point is that we are offering a reduction of the cost of the subsidy in section 101 by reducing by an average of \$50 million per year, or a reduction of \$200 million during the life of the bill.

The second thing we are proposing is to limit the eligibility of people who need a rent subsidy to people who are eligible for public housing.

There is no change so far as the other provisions are concerned which are still in the bill that requires them to have a 25-percent income level which makes them eligible. They have to be elderly, they have to be handicapped, they have to be in substandard housing or in the category of one who has been displaced by public action.

The third proposal is the proposal that was made in the Rules Committee. There was discussion there and objection made by others. The proposal was made by the gentleman from California [Mr. SISK]. He wanted put in the bill, which the amendment will put in, terminology that would give the person who goes in under a subsidy the right and encouragement to buy that house by having an option to buy the house at a specified price.

The fourth point meets an objection that was made. It is a point that is important. It is a definition further of what is a legal entity. We have provided in the main part of the bill, in the original part of section 101, that a non-profit corporation or a limited dividend corporation would be the sponsor. But it was not quite clear what was meant by a legal entity because some people thought that might include a partnership or something of that nature.

The language that we propose in this amendment, and the majority of the committee are proposing in this amendment, is that if it is a partnership or other legal entity it also must be a non-profit partnership.

The fifth is to clarify another point made on the floor of the House, a point that was made when we discussed this in the Rules Committee. The point made was that it seemed in another section of the bill that the subsidy had no top to it. The doubt was expressed that the money could be utilized for the rent subsidy over what was authorized in section 101 of the bill.

We are putting language in by this amendment that clarifies that. It says that the authorization of the \$150 million annually is the amount and it will not be more than that and the other sections of the bill do not pertain to this at all. It is clearly put in that language.

We think by bringing this amendment to the floor of the House and looking at it in the light of the debate that you have heard, it will correct many of the misinterpretations and misunderstandings with reference to this.

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

Mr. STEPHENS. I yield to the gentleman.

Mr. PATMAN. Is it not a fact that the principal changes are the Muskie amendment, as passed by the Senate committee?

Mr. STEPHENS. That is correct.

Mr. PATMAN. And the substantial reductions in the amount of money involved?

Mr. STEPHENS. Those are the two major amendments. But I will say this also, Mr. Chairman, the other three are highly important. They are important because they meet the questions that other Members of the House have had. But those, as our chairman has pointed out, are the two main and important parts of the amendment here. The other three correct some of the more or less minor parts of the bill.

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

Mr. STEPHENS. I yield to the gentleman.

Mr. BARRETT. Mr. Chairman, frankly I do not see any real basis for the misunderstanding since we are convinced that the bill and the committee report made it clear that eligible families and individuals would be in the lowest income category.

But I do think your amendment pours oil on these troubled waters by clearly specifying the eligible families and individuals could not have incomes higher than those permitted in low-rent public housing under the public housing program.

With this amendment I hope we can resolve the lingering doubts that apparently exist in the minds of some of the Members and make it perfectly clear that this body intends that the benefits of the rent supplement program would go to families and individuals in the public housing range.

I certainly support the gentleman's amendment.

Mr. STEPHENS. I thank the gentleman.

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

Mr. STEPHENS. I yield to the distinguished minority leader of the Subcommittee on Housing.

Mr. WIDNALL. I think the distinguished chairman of our full committee made the statement that the second part of this was the Muskie amendment that was passed by the Senate Committee on Banking and Currency. I have the Senate bill in front of me and I think there are very many major distinctions between the Muskie amendment and what you are offering today. I might say I do not think this is the way to legislate—what is taking place at the present time. It seems to me you are presenting something of very major importance in the housing field, something that is supposed to take care of the low-income groups and give them a better deal than they have had in the past. Yet, there are three copies of your proposal on this side which we have just received and I venture to say that not more than three or four have read it on your own side—and this should be a subject of major hearings before our committee.

Mr. STEPHENS. Let me answer what you have to say in this way. The amendment has been read in its entirety on the floor of the House. The amendment is not new to any of you on this side because these proposals—not as an amendment—but these proposals, as individual propositions, are propositions that you have made, or which have been here in cloakroom discussion or made on the floor of the House yesterday as proposals for perfecting this bill. So you are just as familiar with it as I am so far as the intent of the language and the text of the amendment is concerned.

Mr. WIDNALL. I will admit I am as familiar with it as you are. That is how new it is.

Mr. STEPHENS. Good. I am familiar with the principles involved in it regardless of the language you are talking about. Now what we are saying so far as this being the Muskie amendment is concerned is this: My amendment provides that those who are qualified as tenants must be qualified in addition to all the other things pursuant to the limitations prescribed in section 2, subparagraph 2, U.S. Housing Act of 1937, for occupancy in public housing dwellings.

Now we are limiting this to the point where we have received criticism, not that we deserve it, but criticism that we are trying to help people who have high incomes and we are saying that this meets the argument that we should help poor people.

If we are going to pass this bill, that is the objective: To help the poor people in America.

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

Mr. STEPHENS. I yield for a question.

Mr. BROCK. I believe we all share the objective of helping poor people. Let me ask the gentleman a question. Under the amendment would not tenants

be eligible to receive rent supplements in this type of program, under section 101, having incomes as high as \$10,500 a year?

Mr. STEPHENS. I cannot answer that specifically. My first thought would be "no," because I do not believe we will find that to be true in public housing anywhere. As I say, from my own information the average income in public housing is an income of around \$4,000. It will vary from community to community according to the standard of living and the cost of living in those communities.

Mr. BROCK. If the gentleman will yield further, he knows full well we are not talking about averages. I asked him if it could not be as high as \$10,500.

Mr. STEPHENS. I believe I answered that.

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

Mr. FINO. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I ask unanimous consent to proceed for an additional 5 minutes.

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

There was no objection.

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

Mr. FINO. I yield to the gentleman from New York.

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

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

There was no objection.

Mr. OTTINGER. Mr. Chairman, the legislation before us today—the Housing and Urban Development Act of 1965—is not perfect. No legislation is. But this is a good bill, containing many worthwhile and necessary programs, and it certainly deserves our support.

As a member of the Committee on Banking and Currency, I know how much time and bipartisan effort went into making this bill as good as it is. I want to particularly commend the chairman of the committee, the gentleman from Texas [Mr. PATMAN], the chairman of the Subcommittee on Housing, the gentleman from Pennsylvania [Mr. BARRETT], and the ranking minority member of the committee, the gentleman from New Jersey [Mr. WIDNALL], for their leadership in working out an effective, comprehensive program.

There has been considerable controversy, both in and out of Congress, over section 101 of this bill, the rent subsidy provision. When this provision was discussed in committee, I voiced reservations about it, mainly because I felt at that time the legislation did not contain adequate safeguards against the subsidy program being applied too broadly. We just do not have money enough to subsidize housing for everyone in this country, and while I can support assistance to provide housing for the very poor, I did not think, with hundreds of thousands of impoverished people still in slum housing, we should go further.

In response to my reservations and those of other Congressmen, the administration has revised the bill so that now only those persons who qualify for public housing will be eligible for rent supplements. This satisfies my objections and makes this section a very worthy experiment to better deal with the housing needs of the poor.

It is important to note that the present public housing program simply has failed to do the job of providing decent, safe, and sanitary housing for American families afflicted with poverty. Today in the United States there are more than 3 million families living in substandard housing who have incomes too low for decent private housing in their communities.

In addition, there are more than 2 million elderly or handicapped lacking decent housing, and each year 80,000 families are displaced by some kind of Government action.

Since the public housing program started, only 580,000 units have been built. Today, 500,000 families are on waiting lists for public housing units. The rent supplement program gives us another tool to meet the need for housing without getting us into a federally operated housing program of incredible proportions. The rent supplement program enables us to meet the housing needs of low-income families through the private sector of the economy, and this is certainly a laudable approach.

Despite the fact that Westchester County, N.Y., which I represent, is one of the Nation's three most affluent counties on a per capita basis, for many years it has been confronted with the problem of slums and decay and poverty in the midst of gracious, attractive communities. The 1960 census revealed that 6.5 percent of the dwellings in the county, housing some 50,000 persons, were substandard. It also revealed an unfortunate connection between substandard housing, old housing, rental housing, nonwhite occupancy, and low income. In the three largest cities of Westchester—Yonkers, Mount Vernon, and New Rochelle—32 percent of the nonwhite rental units were classified as substandard and 7½ percent of the rental units occupied by whites were substandard.

Mr. Chairman, a program which provides housing that is privately sponsored, privately built, and privately financed under FHA will meet important needs in New York's 25th Congressional District, as I am sure it will in many areas of the Nation.

A vote for this program is a vote for breaking the vicious, continuing cycle of poverty in the world's richest nation.

Mr. FINO. Mr. Chairman and Members of the Committee I rise in opposition to this amendment. I am very sorry to see an amendment of this great importance, of this great magnitude, offered at the last minute without any consultation with the minority. We learned for the first time the contents of this amendment 5 minutes ago.

This section 101 is the crux of the whole argument on the housing bill, and the amendment is a 6-page amendment,

yet we are expected to legislate within 5 minutes and determine the substance of the amendment, the value of the amendment, and what it would do or propose to do.

I say that this amendment offered by the majority is a meaningless, do-nothing, red herring amendment offered at this time. So far as I am concerned, it shows that fear of defeat has gripped the majority. They are disturbed about this section 101. They are so disturbed about it that they have come in with an amendment to try to camouflage the whole picture, to try to deceive the Members. If anything, it is an exercise in deceit of the type we have become used to during general debate of this section.

This is an amendment which is another trick from the Housing Administrator's big bag of tricks.

This amendment purports to limit rent-supplement payments to persons with incomes falling below the public housing maximum under the Federal public housing laws. This is a very clever way to try to deceive the Members of this House.

The bill as originally written, the bill we have discussed here for 2 days, talked of \$50 million now, \$50 million in 1966, in 1967, in 1968. So what they did was to come in and chop off \$20 million the first year, \$15 million the second year, \$10 the third year, and \$5 million the fourth year, so that instead of having \$200 million, the figure would be \$150 million. This is supposed to be the bait for you people to swallow.

So, instead of trying to sell the Congress of the United States an \$8 billion program, we are trying to soft-soap the whole deal and say, "Well, we will accept a \$6 billion program." No matter how you slice it and twist it and turn it, it will turn out to be a \$6 billion program, because I notice under the amendment we still have a 40-year program here. We bind and obligate the U.S. Government for 40 years. Multiplication of 40 times \$150 million comes to \$6 billion.

The Housing Administrator has said time and time again that he is not concerned merely with the opening of new housing avenues to families eligible for public housing, but what he wants to do is to experiment with a larger group of our population so as to keep open his opportunities—I repeat that—so that he can keep open his opportunities for so-called economic integration.

Anyone who thinks this amendment has any substance as a safeguard of the income ceiling has another look coming. The rent subsidy proposal, as offered by this proposed amendment, would still leave section 101 wide open for abuse, and there will be plenty of abuses. If this amendment is adopted, it would still qualify for rent subsidies many families of unduly high- and middle-income levels. Low-income families could still be placed in semiluxury housing and subsidies could still be used to pay 99 percent of the family rent. There is still no limit as to the amount of the rent subsidy a family can receive. This is one of the main objections I have to this rent subsidy program.

Equally important under this proposed amendment is the definition of "income." Let us make no mistake about it. The definition of "income" is still left to the discretion of the Housing Administrator. If you look at the bill, this amendment is just like a rent subsidy program. It is a trap for the unwary. It does not and it will not do what the proponents would like you to think it will do. It is simply designed to trick the Members of this House who have expressed some misgivings about this program and who have expressed some deep concern about this type of program into thinking all or most of the loopholes in section 101 are being plugged. Let us not be confused and let us not be misled. No loopholes are being plugged. The Housing Administrator wants every loophole, every loophole he can get. That is how he gets to experiment. The whole reason for this program is so that he can experiment. I repeat, the whole reason behind section 101 is so that the Housing Administrator can experiment with American residential patterns.

This is a sucker bait amendment. It will not remove the serious objections to this program. It still leaves the amount of rent subsidy without any limitation. I might point out in my attempt to have a discussion of this particular point with the gentleman from New York, who is not a member of the Subcommittee on Housing, I wanted to point out that in subcommittee I offered an amendment to limit the amount of the subsidy and I got nowhere with it. So I say it will not remove the serious objection to it. It still leaves the amount of rent subsidy without limitation and it still leaves the determination of the income ceiling, notwithstanding this amendment that has been offered, to the Administrator. It still remains a 40-year program. So instead of having a 40-year program at \$8 billion, it will be a 40-year program at \$6 billion. And let us make no mistake about it. We are binding ourselves in this Congress and in the Congress to follow and in the next Congress up until the 21st century on this program.

I urge those of you who have serious doubts about this rent subsidy program to stick to your guns. Do not be influenced, do not be pressured, and oppose this do nothing, red herring amendment that has been offered at this time.

Mr. ALBERT. Mr. Chairman, I rise in support of this amendment which would rewrite the rent supplement provisions of the bill to meet a number of objections which were heard in the arguments on yesterday and the day before. Before proceeding, I cannot pass up the opportunity to congratulate my distinguished colleague who has just addressed the House. He is an able legislator. He has stated that he has just received a copy of this amendment a few minutes ago, and, yet he has come up with one of the best prepared speeches in speaking against it that I have heard in a long time.

I was in hopes that our distinguished friend, after this amendment was offered, would support it, and that he would not support a motion to recom-

mit which would undertake to strike this very important section from the bill. The most important part of the amendment would change the income formula in the reported bill and set the ceiling at whatever level is established in the community for public housing.

This provision cuts through all the uncertainty raised by the new formula proposed for this program. It makes it abundantly clear that only the lowest income families would benefit from the rent supplement program. This has been our intention and this amendment should still any lingering doubts about this fact.

This program, Mr. Chairman, enables private enterprise and private capital to work with the Government, really to come to grips with the problem of providing decent housing for low-income families in the cities and towns of this country. We all know that the low-rent public housing program, while it has done a tremendous job, has not provided a sufficient number of units to house our low-income families.

Repeatedly during the debate we have heard that some 500,000 applications are now on file with various public housing authorities to try to obtain apartments or quarters or units in public housing projects. No one has suggested that these applicants are not just as qualified, are not just as much in need as those who already occupy such units. Nor has anyone suggested that this Congress would provide the necessary funds to implement the public housing program sufficiently to take care of these 500,000 applications.

The President's proposal for the new rent supplement program has the highest potential for a break-through in harnessing the energies of private enterprise to produce low-cost housing in large quantities. The critics of the new proposal have tried to imply that the public housing lobby is opposed to it. This is not the case. It recognizes, as we recognize, that this new program will provide not a substitute for public housing; it will supplement public housing instead.

Mr. Chairman, as I listened to the debate over the last few days there was one aspect that I felt was not given specific emphasis. This came to my mind when I heard almost incredulously the words "socialistic" and "foreign to American concepts."

Mr. Chairman, everyone who has been here as long as I have knows that these terms have been used with respect to public housing, social security and other progressive legislation which we have undertaken to pass for the benefit of the people of our country, particularly the poor people of our country.

Mr. Chairman, I want to remind my colleagues on both sides of the aisle that this rent supplement proposal has been called the most crucial new instrument in our fight to provide better housing by the President of the United States.

Mr. Chairman, I want to remind my colleagues in both sides of the aisle of that fact, that this is the most important factor. I hope sincerely that the changes which have been made will in-

crease the support of the President's rent supplement program, because if we fail to enact it into law, the real victims will not be the President of the United States or his prestige. The real victims will be the several hundred thousand families of lowest incomes who are the elderly, the handicapped, the displaced by Government activities, and those who are living in slums.

Mr. HARVEY of Michigan. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

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

There was no objection.

Mr. HARVEY of Michigan. Mr. Chairman and Members of the House, I have been sitting here astounded to hear the very distinguished majority leader of this House of Representatives, the gentleman from Oklahoma [Mr. ALBERT] who has behind him such an illustrious career of which we on both sides of the aisle are tremendously proud, as we are of both the majority and minority leaders, to hear him stand up here and recommend this type of legislation.

Mr. Chairman, I serve as a member of the very Select Subcommittee on Housing of the Committee on Banking and Currency. I have been proud to do it. We have had days of laborious hearings on this matter.

Mr. Chairman, I know I do not have to tell anyone who serves on that subcommittee that housing legislation is just as complicated, if not more so, than any legislation to come before this body.

I do not have to tell them that in an authorization bill, whether it be for \$6 billion now as they have reduced it, or the original \$8 billion as it was yesterday, it is still one of the largest domestic authorization bills to come before this House in many years; and, that is only the section pertaining to rent supplements.

Mr. Chairman, if we added the public housing costs and other estimates contained in the bill, the cost of this bill is now \$19 billion rather than \$21 billion.

Mr. Chairman, also I listened with considerable interest as the distinguished majority leader stood up here and expressed the fact that this was now a very low income bill.

I wonder if the Members of the Committee know what the public housing limit in the city of New York is?

How many in this body know what the housing limit in the city of New York is right now? We would call that low income. I have here a letter from Marie McGuire, Commissioner of the Public Housing Authority, in which she sets this matter up. She signs that letter. This has been signed by her.

I would point out to the distinguished majority leader that a person earning \$11,200 per year can now live in this supposedly low-income housing that we are now authorizing in the city of New York. If you do not believe me I hold up to you this letter, and I will submit it to any body for examination. This is a state-

ment of Marie McGuire, the Housing Commissioner, where she points out where the limit is \$8,800 per year at the present time, and of course with the permissible exemption—that is, income which is not included—could go up \$2,400 more, making a total of \$11,200 per year.

I submit to you that is not low-income housing, at least, not where I come from. What does this mean, this amendment of four pages? We have had only a few minutes to look over the amendment, but notwithstanding that we sat down and looked it over, and I quickly figured out what this means to public housing at the present time.

In the last 28 years, since 1937, in this country we have built a total of 580,000 units of completed public housing. If you reduce the original 500,000 by 25 percent in the same proportion you are reducing the amount of the authorization, it would provide for an additional 375,000 units under the rent supplement program in addition to 240,000 units under the public housing section.

So what are we doing? Over the next 4 years we are providing for public housing, 615,000 over the 4 years, or at the rate of 153,000 per year, which is 5 times as fast as we have provided public housing since 1961 when I came to the Congress. And we still cannot complete the public housing units we have authorized up to now.

So I would point out to the majority leader this does not make the least bit of sense to me. In addition to what this means to public housing, I would point out to my friends on the other side of the aisle, particularly the chairman of our distinguished Committee on Banking and Currency, who has so often been the champion of low interest rates, just what this amendment means in terms of interest rates as compared to public housing. Those of you even with the most scant knowledge realize we finance public housing today with 40-year bonds that carry an interest rate of 3¼ percent. How are you going to finance these additional 375,000 units of rent supplement for the same low-rent income category?

You are going to finance them not with 3¼-percent interest. You are going to finance them with a 40-year—and just coincidentally the same period of time the FHA mortgages bearing an interest rate of 5¼ percent, together with an insurance premium of one-half of 1 percent, for the astounding rate of 5¾ percent—in contrast to 3¼ percent.

You say, Oh, that does not matter. Uncle Sam has all the money in the world to burn. What difference does it make whether it is 5¾ percent or 3¼ percent? Do you know what the difference is, my friends, in relation to the cost of a \$20,000 unit? I just stopped to figure out what it would cost in relation to a \$20,000 unit. It is a difference of \$32 per month in rent. You talk about rent supplements being for the low-income group. Do not kid me, my friends. I cannot believe that for 1 minute. You can see that this should properly be called a bankers' amendment. That is what this is—a contractors' windfall. That is what it is, to build not 100,000 units but to build 375,000 brand-

new sparkling homes at 5¼ percent interest.

The majority members of the committee talk about private enterprise—with the rent guaranteed and no defaults possible. This is about as much private enterprise as the farm subsidy program. That is the kind of private enterprise that this is.

Now let us look for a moment at how this is going to work. My friends on the other side of the aisle are so disturbed about this reaching into the high-income categories, the way Mr. Weaver said, and apparently they have ignored Mr. Weaver's testimony itself. For Mr. Weaver has said:

This just will not work when you limit it to low-income groups.

I do not have the Pittsburgh quote here with me where he said that you would have to have a heart of gold and a head of lead to be a businessman and support this rent-supplement program for low-income groups. But I have it here at my desk if any of you care to examine it.

Then I would refer you to, I believe it is page 183 of our testimony where Mr. Weaver just said, "This just will not work"—in so many words for the low-income, low-rent public housing units. That is all there is to it.

Now my friend, the gentleman from Georgia, brings out a six-page amendment which we are supposed to consider here in just a few minutes and he brags about the fact that it solves the problem of confusion and that for once we have defined the words "legal entity" and what a legal entity is. Because now we know, of course, what a nonprofit corporation is and we know what a legal entity is.

This sort of astounds me, too, because the chairman of our committee, you know, has been a real crusader against the tax exempt foundations. Well, I would refer you, if you will kindly look at title II, section 202(d) where they happen to define the word "corporation." Now what do you suppose that this nasty word "corporation" includes? Why it includes tax exempt foundations. Can you believe the chairman of our committee would have this committee come in with an amendment that is going to approve rent supplement buildings—375,000 of them at 5¾-percent interest being built by these evil, tax exempt corporations and tax exempt foundations?

Look at section 202—look at section 202—that is what the law says. This amendment is a sham. It is a sham because those on this side of the aisle handling this argument knew that there were fallacies in their argument and they knew that it could not work. They knew that it could not take the place of public housing because they listened to their own people.

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

Mr. ALBERT. Mr. Chairman, I ask unanimous consent that the gentleman from Michigan may proceed for 5 additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. HARVEY of Michigan. I am delighted at the fairmindedness of the distinguished majority leader.

Mr. MULTER. Mr. Chairman, will the gentleman now yield for some questions?

Mr. HARVEY of Michigan. I am happy to yield to the gentleman, yes.

Mr. MULTER. Will the gentleman tell us what limitations you would put into this amendment so that it will cover the low-income groups that you believe should be covered by this bill?

Mr. HARVEY of Michigan. I thought I made that clear to the gentleman from New York when I stood up on Monday, which seems like an awfully long time ago now. I explained my attitude toward public housing then. I said that as a former mayor—I am controlling the time now.

Mr. MULTER. I know you are.

Mr. HARVEY of Michigan. I am going to tell the gentleman this, so that he will remember it. He would not give me an opportunity yesterday.

Mr. MULTER. I gave you every opportunity.

Mr. HARVEY of Michigan. I decline to yield further, until I answer the gentleman's question.

I want to tell the gentleman that I have a high regard for public housing. I intend to support this bill if, as I hope will be the case, this section on rent supplements, including this amendment, is eliminated.

I would tell the gentleman quite frankly, I do not believe in the rent-supplement program. I do not believe it is a good deal for America. I believe it is a good deal for the big bankers, with whom the gentleman is very familiar. I believe it is a good deal for the savings and loan institutions. I believe it is a good deal for the big builders.

I believe that we are talking about big contractors and big landlords. When we are considering up to 375,000 new apartments being built by big builders, we are not talking about the little man. When we are considering increasing rent \$32 a month, we are not talking about the little man.

Do not try to kid those of us on this side of the aisle. This is a big bankers' bill. That is what it is. It is a big contractors' bill.

If you did not believe that—if you were truly sincere in wanting to experiment with this program—then I suggest to the gentleman, why not try to use section 103? Section 103 pertains to existing housing.

Mr. MULTER. I thought we were talking about section 101.

Mr. HARVEY of Michigan. We are.

Mr. MULTER. I respect the gentleman's opinion, when he says, "I am opposed to section 101," but he should not come to this floor and tell us that section 101 can be improved, or lacks this, that, or the other thing, when he does not intend to support it no matter how good we make it.

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

Mr. HARVEY of Michigan. I am happy to yield to the gentleman from Georgia.

Mr. STEPHENS. I should like to get a better definition than I seem to have of "private enterprise."

Mr. HARVEY of Michigan. I would agree with the gentleman that this is the furthest thing from private enterprise he could get into.

Mr. STEPHENS. At home the bankers and contractors and real estate people are all in private enterprise. If it is to benefit them only, then certainly we would be benefiting private enterprise. I have no objection to benefiting private enterprise while we are also benefiting the poor.

Mr. HARVEY of Michigan. Will the gentleman answer a question? Does the gentleman believe it is private enterprise when we guarantee that the landlord will receive his rent over a 40-year period? Is it private enterprise to guarantee against the possibility of default?

That is not the private enterprise of which I know. That is an outright subsidy.

I think this is a pretty good "risk." That is why Ira Robbins, whose testimony is shown on page 425 of the hearings, told the committee this just would not work. He said that this program of rent supplements would be much more expensive than the program of public housing ever could be.

Look, my friends—I have lived with public housing as a mayor. I am for it. I support it. I think that is a good program. I do not think this rent supplement is.

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

Mr. HARVEY of Michigan. I yield to the gentleman from Pennsylvania.

Mr. BARRETT. I thank the gentleman for yielding.

Very adroitly here today, yesterday, and the day before, the gentleman has been demonstrating his outstanding ability for muddying the waters.

Mr. HARVEY of Michigan. Well, now, I decline to yield right now.

If the gentleman contends that I am muddying up the waters, I submit to the House: Who is it who comes in with a six-page amendment in the final and closing hours, after the subcommittee sat for weeks hearing testimony? Who is it that is coming in with a clarifying amendment for corporations, which puts in tax exempt foundations, if you can imagine that? Who is muddying the waters?

I submit to the gentleman, it is not this side of the aisle.

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

Mr. HARVEY of Michigan. I am glad to yield to the gentleman from Pennsylvania.

Mr. BARRETT. The gentleman said he was interested in public housing. The gentleman said he wants to help people get decent, safe, and sanitary housing. I agree with him on that score.

Let me point out who gets the benefit of these public housing subsidies. Let me point out a mother and one child in New York, who get \$149.50—and this is called the basic standard. Please do not muddy the waters on this.

Mr. HARVEY of Michigan. Mr. Chairman, I decline to yield at this point to my friend, because he is making a real case for poverty here, which I hope the President's program is going to take care of.

I decline to yield. I will tell my friend that is why we have public housing in New York. It is precisely why we have an income level of \$11,200 where a person is still eligible for public housing in New York.

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

Mr. PATMAN. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, every time we bring a bill to the floor of the House providing for public housing, arguments are made by those who are really against any kind of housing for the poor that we should have another kind—we should have an alternative—we should have a private enterprise system to help the poor. We have before us a bill to help the poor.

The distinguished gentleman from Michigan says that he favors public housing over rent supplements because of the interest rate factor. Well, he is all wrong about that. That argument is not sound. If you use a 3¼-percent rate in public housing, to the average investor that is an income of about 7 percent. Yet here he is fighting 5¾ percent, saying it is too high, too high. He wants a 3¼-percent rate. A 3¼-percent rate. The 3¼-percent rate is a tax-exempt rate and, therefore, it is the equivalent to the average investor of a return of some 7 percent. So his argument is very illogical.

Mr. Chairman, I rise to speak in favor of the Stephens amendment—the rent supplement program.

Mr. Chairman, the rent supplement program is the key provision of this bill. No other provision of the bill offers as much to the poor people of this country who cannot afford decent housing.

President Johnson has said this program for rent supplements "in the long run may prove the most effective instrument of our new housing policy." It is a program of enormous importance. It constitutes a major breakthrough toward the national goal established many years ago—a decent home in a suitable environment for all Americans.

In public hearings, the rent supplement program was thoroughly examined by the Housing Subcommittee of the Banking and Currency Committee, and again by the full committee. Over the last 30 years and longer that I have been a Member of this body, no major new housing program considered by the Congress, has received wider and more enthusiastic support than this program.

The homebuilding industry supports the rent supplement program. Labor supports this proposal. The spokesmen for the members of the financial community who invest the Nation's savings in homebuilding support this proposal. Those who work with and know the needs of the elderly support this proposal, as do those who work with and understand the great need for additional housing among the poor.

The hearings and the general debate here on the bill have established the great need for additional housing for our low-income families. I believe that the great strength of the rent supplement program is that it will enable the American private enterprise system to meet this need.

The rent supplement program is a private enterprise program. The housing constructed under the program will be privately owned, privately constructed, privately financed, and privately operated.

Mr. Chairman, the hearings and the debate have shown that the rent supplement program can, over the next 4 years, enable American private enterprise to provide 500,000 units—units of modest design, geared to the needs of low-income families, and available to these families.

The poor people in this country living in slums need this housing. The entire country will benefit from the jobs that the construction of these units will create.

Mr. Chairman, I have followed the debate and I have heard the arguments made against the rent supplement program. I do not understand why the opponents of this bill have chosen to single out this proposal as the focal point of their attack on the bill and certainly they should support the Stephens amendment. The poor people in this country living in slum housing are the ones who would gain most from the rent supplement program, and the program is fully, completely, and exclusively a private enterprise program.

I am amazed at the bitterness and the inconsistency of some of the arguments made against this program. In one breath we are told that it will provide rent supplements for upper-middle-income families, and in the next breath that the program will put public housing out of business.

In one breath we are told that the program is "foreign to American concepts" and "the way of the socialistic state" and in the next breath we are told that the program is a "sell out" to the builders. In one breath we are told that the program will permit people with substantial assets to have rent supplements paid on their behalf, and in the next breath we hear objection that the program will establish a means test for determining whether or not one needs rent supplements.

Mr. Chairman, I believe that the debate here today has convincingly refuted the arguments of the opponents of the rent supplement program. It has been established:

First. That the program will provide modest—not luxury housing.

Second. That it will authorize rent supplements only for those in the lowest income groups.

Third. That the rent supplement payment will be keyed to the need of the family, with the amount of the payment being reduced as family income rises.

I urge my friends to vote for this amendment. A vote for this amendment is a vote for the President—for the committee which adopted this proposal with

bipartisan support after long and extensive hearings—and it is a vote to assist the poor who need the housing that would be constructed under this program.

I hope all Members from both sides of the aisle will cast their votes in favor of assisting poor people to acquire decent and sanitary housing.

Mr. WIDNALL. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I came to the House today prepared to support the rent supplement program as originally offered in similar bills that were proposed by the gentleman from Texas, Congressman PATMAN, the gentleman from Pennsylvania, Congressman BARRETT, and myself. They are exactly alike. I was prepared to vote for that measure.

We are now being asked to consider something that is a very major change from the original rent supplement program. I think it is most unwise. This is the craziest way to legislate that I can think of when, on the floor of the House, after no opportunity for examination either by the minority or the majority Members, we are asked to substitute for the rent supplement proposal an entirely new section which changes many things as contrasted to the original rent supplement proposal.

Our distinguished chairman, the gentleman from Texas [Mr. PATMAN] cited the support of various organizations for the rent supplement proposal. I would like to ask my chairman, do all these organizations know about the Stephens amendment? Do they approve the Stephens amendment? Because that is what we are legislating on today and not the original rent supplement proposal.

Mr. PATMAN. All I can say is that they will not disapprove it.

Mr. WIDNALL. I just want to call the attention of the chairman to this.

Mr. Chairman, if they have had the same kind of notice that we have had, they have not the faintest idea what will be going into the bill today and you certainly cannot take as approval what their testimony might have been at the time the subcommittee had hearings.

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

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

Mr. PATMAN. There are only five changes. Read this entire amendment and go back and notice the ones which I have checked with red. There are only five small changes. It would not take the gentleman from New Jersey long to acquaint himself with them. They represent the only changes in it.

Mr. WIDNALL. Mr. Chairman, I have now had the opportunity to read through it, thanks to the fact that we have been in session long enough so that I have had that opportunity.

Mr. Chairman, I have noted that this amendment is being offered to the House with the representation that it is the same as the Muskie amendment in the Senate bill. There are some very substantial differences between the two. If the Members on the majority side of the aisle are being told that they are voting

for the Muskie amendment, that is not a fact. There are substantial differences. If this amendment is adopted, of course we would go to conference with what is in the Muskie amendment, which substantially changes a great deal of the rent supplement proposal, as would this amendment, but in a different direction.

Mr. Chairman, I have always been very proud of being a Member of the House of Representatives. For 16 years the people of my district have been pretty good to me in affording me the opportunity to be here in Congress to represent them and to try to do what I felt was best for the Nation's welfare, as well as my own congressional district.

However, Mr. Chairman, I do not believe they sent me down here to legislate on major proposals on the floor of the House with no examination—no true examination—as to what is contained in a major substitute proposal.

Mr. Chairman, this will, as has been pointed out already by the gentleman from Michigan [Mr. HARVEY], set as a ceiling \$11,200 income, a far cry—a very far cry—from trying to take care of those who are now ill-housed, low-income people, as originally we were told this legislation would attempt to do.

Mr. Chairman, I urge the Members of this House to defeat this amendment if for no other reason than that you cannot properly consider an amendment of this nature without even having an opportunity to examine the same and relate it to other programs.

Mr. Chairman, I venture to say without fear of contradiction that there are very few on the majority side of the House who have had an opportunity to look at this amendment.

Mr. Chairman, I concur completely in what the gentleman from Georgia [Mr. STEPHENS] has said with reference to both of us being rather ignorant about what is contained in the amendment. There certainly has been no opportunity for the majority members of the subcommittee to look this over, to have a meeting to decide what was best.

Mr. Chairman, I hope this does not mean that this just represents a confession of failure as far as the majority is concerned as to their own rent supplement proposal to which I agreed and offered my support and have been supporting and would have voted for if given the opportunity.

Mr. ASHLEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, there are today in the United States some 6 million families living in substandard housing because they have incomes that are not sufficient to allow them to live in decent standard housing supplied by the private market.

Now, Mr. Chairman, the position of the opponents of this bill becomes clear that these 6 million families must continue to live in slums and in substandard housing until such time as they can get into public housing. That is the position that they have taken, and let there be no question about it.

We have a whole range of programs that have been passed upon by Congress to achieve a national goal of decent, safe and sanitary housing for all Amer-

ican families. The fact is, however, that the vast majority of these programs are designed exclusively for the well-to-do, for those people who can afford housing at the going rates on the private market. There is only one program of all of the programs that we have adopted which is designed to meet the needs of the poor and distressed families that do not have income sufficient to participate in the private market. That is the public housing program.

It is too bad, Mr. Chairman, but the fact is that the public housing program has not met the need. We all recognize that. The fact is, too, there is no chance, no possibility, that the public housing program will meet the needs that face this country today or in days ahead, and I say that they cannot be expected to meet these needs, because there is today a backlog of 500,000 applicants for public housing. These 500,000 families today are living in slums, waiting for decent housing they can afford or for a vacancy in one of the 580,000 public housing units built since inception of the program in 1937.

Are we kidding ourselves that public housing can do the job? I say, Mr. Chairman, let us be honest. If we have any intention of upgrading the environment of these families we have no alternative but to explore new ideas and new programs. That is what we are doing today.

I might say to those on the Republican side who have attacked the rent supplement so vigorously that while I respect their honest difference of opinion I do regret their criticism has been so destructive and not in any sense constructive. We have heard the gentleman from New York [Mr. FINO] assert that the program offers no inducement to private sponsors. We have heard from the gentleman from Illinois [Mr. MICHEL] that it will result in the biggest building bonanza of modern times. The truth of the matter is it will attract public-spirited sponsors just as the 221(d) (3) program has attracted private funds. There will be no bonanza because the bill specifically provides the sponsors can only be nonprofit, limited dividend or cooperative groups.

Mr. Chairman, the time has come to decide whether private enterprise is going to be allowed to assist in supplying low-cost housing for the millions of American families whose incomes do not enable them to obtain decent shelter on the private market.

For many years, Mr. Chairman, public housing has been attacked as a Federal intrusion into private enterprise. Now we find these same people, the very same individuals who have made this charge in the past, asserting that the rent supplement program is contrary to the American way of doing things; that it is foreign oriented, and so forth. I submit that they are wrong on both counts.

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

Mr. ASHLEY. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

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

There was no objection.

Mr. ASHLEY. Mr. Chairman, nothing could really be more clear than that an enormous need exists and that that need must be met by the combined efforts of public housing and the private market. In the final analysis the vote today on section 101 will be an accurate measure of the extent to which this Congress cares about the physical environment of the 5 to 6 million American families who need this help so badly. No one voting against this program can say that public housing is doing the job. We know better than that. If we vote against this program it is simply because we are not willing to provide the new tools that are necessary.

I say we must, as a matter of conscience, make a commitment and that commitment must be to the 5 to 6 million American families who today need our help.

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

Mr. ASHLEY. I yield to the gentleman.

Mr. FINO. I agree with the gentleman from Ohio that the poor, needy families with low incomes are deserving of and need adequate and decent houses. But you know, I know, and the Housing Administrator knows that under section 101 you cannot build low-cost housing. That is the point I want to make.

Mr. ASHLEY. I will only say this to the gentleman with respect to that point. The gentleman should retire to the cloakroom with the gentleman from Illinois [Mr. MICHEL]. He says this will result in the biggest building bonanza of all time. I think both gentlemen are wrong. I say that under this program there will be no building bonanza for the very reason that it is limited to sponsors that are nonprofit, limited dividend or cooperative groups.

Mr. FINO. The gentleman knows that in addition to public housing, which is trying to do a job although it is not doing it fully and not completely—

Mr. ASHLEY. The gentleman will agree that public housing has not done the job and cannot be expected to do the whole job. Will the gentleman not admit that?

Mr. FINO. I say that public housing has made a very good attempt to solve this problem.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BROCK. Mr. Chairman, I move to strike out the last word and rise in opposition to the amendment.

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

Mr. BROCK. I yield to the gentleman.

Mr. HARVEY of Michigan. The gentleman from Ohio has just pointed out in theory what this program is going to do for the lower income groups in America. I would just call his attention to what Dr. Weaver, the head of the Home and Housing Finance Agency had to say to the Senate subcommittee about this

precise subject and how this program would work for the low-rental program and I quote this one sentence:

You are not going to get the limited dividend companies building and adequately managing houses in the low-income segment.

Mr. BROCK. I thank the gentleman.

Mr. Chairman, I want to compliment the gentleman from Michigan for the presentation he has made on the floor of this House. It represents one of the finer efforts I have seen, and it is something that I would be proud to associate myself with.

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

Mr. BROCK. I yield to the gentleman.

Mr. BARRETT. I want to call the attention of the House to the fact that public housing has now been in existence for 3 decades and over the last 30 years 718,000 units have been built. We now have, after 30 years, 500,000 families waiting to get into public housing. New York has 100,000 people waiting to be admitted to public housing.

The State of the gentleman now in the well has 10,800 families waiting to get into public housing.

Mr. FINO. Mr. Chairman, will the gentleman yield for a question?

Mr. BROCK. I yield to the gentleman from New York.

Mr. FINO. I should like to ask the gentleman from Pennsylvania a question.

The gentleman from Pennsylvania expressed great concern about low-cost housing, housing for needy people, and so forth and so on. There is a committee print, which the gentleman took full credit for, in which he accused the minority of having made misleading and false statements. On page 6 of the committee print, which is attributed to the gentleman from Pennsylvania, it is stated:

The type of construction that would be permitted under the rent-supplement program would be restricted to that which is appropriate for a moderate income family.

It does not say "low," but it says "moderate-income family."

Mr. BROCK. Mr. Chairman, let me bring the issue back to the amendment itself, if I may, for a moment.

The argument was made by the gentleman from Georgia that his amendment is designed to resolve the objections those of us who are opposed to section 101 have made.

Let us take the objections we have had point by point.

The first objection is that the income limit is far beyond what is necessary to solve the housing problem for low-income people. Under this amendment, regardless of what the gentleman said, the limit is still \$10,500 for a family. A family can have an income up to \$10,500 per year and still receive a subsidy under the Housing Act as amended. That is \$4,000 per year more than the median average income for the average American family. The amendment offers no change from the bill as proposed.

The second objection we had was the fact that there was virtually no limit

on construction costs. This amendment does not pertain to construction costs. This amendment offers no change from the bill as proposed.

The third objection we had is that we feel the House is being asked to abdicate its responsibility and to let the Administrator virtually write the total law.

The bill, on lines 3 and 4 of page 4, defines income solely as "income as determined by the Administrator pursuant to procedures and regulations established by him."

There is no change in that. The Administrator still will have total authority to make his own law. Thus the amendment offers no change from the bill as proposed.

This is not just a dollars and cents bill. We do not care whether you cut this program from \$50 million to \$30 million or \$20 million or \$10 million. There is a principle involved. I do not appreciate being thrown a bone from the administration's table in an effort to purchase my vote, when I disagree totally with the principle involved.

I believe we have an obligation to vote down this amendment just as we must strike the entire rent supplement section.

Mr. MULTER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to address my remarks now to the country club set who, for the first time in the history of public housing, have joined with the advocates of public housing.

I remember, some 15 years ago, when we were considering a public housing provision of a bill, I offered to supply them with crying towels when they were crying so bitterly for the poor, whom they would not help except by their empty words. I am glad to see that today they are not only crying but trying to help the poor and the distressed who need help. But again they will only go part of the way. Now they say give them public housing but nothing to keep them out of it by supplying a good alternative. Let us see who is supporting this big banker, big business bill. Yes, the builders are supporting it. The homebuilders are advocating it.

The bankers are advocating it, but I also have a few telegrams in my hand from nonbankers and nonbuilders. One is from Rabbi Soloff, secretary of the East Midtown Conservation & Development Corp. Another is from Althea Gould, president of the Presbyterian Senior Services of New York City. The third is from Msgr. Harry J. Byrne, office of housing and urban renewal, archdiocese of New York. These clergymen are genuinely interested in helping to solve this problem and in doing something for these people who need some help and who cannot help themselves.

I asked that the distinguished gentleman from Michigan [Mr. HARVEY] send to our committee table the paper that he waved at us and did not offer to put in the Record with his figures. He did not do so. But if you will look at the printed record, you will find table after table showing the very little income that is the maximum that is earned by the people who will be served by this pro-

gram when we enact it. They are the elderly, the physically handicapped, those living in substandard housing, and those who are displaced from the slums as we clear them. You will find that the maximum income of these poor people, who will be the only ones who can get into this program, providing that they meet all of the other criteria set up in the bill—the maximum income of these people, these families, is \$2,500 to \$3,000 a year, depending on the area they live in.

If you look at the printed record of the hearings and the CONGRESSIONAL RECORD both of which already contain the tables, you will find the figures and you will find also a table of the 20 largest cities in the country in which we give the maximum income of a family that may be admitted or that can qualify for public housing. The lowest amount is in Houston, Tex. The maximum there is \$2,720. The largest of these 20 largest cities of the country is New York City. The largest family income—not individual income but family income, and that means everybody working in the family—for admission to public housing in New York City is \$5,760. It is true that after they move in, this family that had \$5,760 of annual income for all of the earners of the family, may have an increase in their income. If the income increases too much, they must get out, but in the meantime, while living there, they must pay an increased rent based on their increased earnings.

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

Mr. MULTER. I yield to the gentleman.

Mr. COHELAN. And elaborate on the point about the \$10,500.

Mr. MULTER. I cannot elaborate on a figure that has not been submitted to me.

Mr. COHELAN. Where did the figure come from?

Mr. MULTER. He said he got it from somebody in the city of New York, and probably he did.

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

Mr. MULTER. I will extend the same courtesy to the gentleman that he extended to me. When you raised that point I wanted to ask you some questions about it. You refused to yield for that purpose. Now you get your own time to answer it.

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

Mr. MULTER. I yield to the gentleman from Pennsylvania.

Mr. BARRETT. I want to call the attention of the House to the figures, which I tried to do on the time of the gentleman from Michigan. Here is a mother and one child who gets \$149.50 as a basic standard. They get \$60 rent added to it, which brings it to a total of \$209.50. A mother and three children in New York gets \$249.50. Their rent is \$80, and it brings it up to a total of \$329.50. Here is a father and mother and two children in New York. For their basic standard they get \$242.90 and get \$80 for their rent, which brings it up to \$322.90. This is what we are trying to do, to put these 5 million people into

decent, safe, and sanitary housing. I do not think there is any other approach that is going to accomplish this than the program we have established in section 101.

This is a sensible way to approach this problem. All this talk is merely a method to muddy the waters.

Mr. MULTER. I am very proud that in the largest and wealthiest city in the country we are trying to do something for our poor and our less fortunate. I beg my colleagues to do as much for theirs.

Mr. GURNEY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I had not intended to talk on this bill because I am not a housing expert. Certainly the debate that has been had on this bill in the last 2 days and today, is some of the best debate we have had in the House this year on both sides of the aisle.

We have heard a good deal about what this is going to do for low-income families and medium-income families and whether it is going to build a lot of units or whether it is not going to build many units. But the reason I am taking the well is this alone; what the issue before this House is, on section 101, as I see it. To many of my colleagues in the House and also to a whole lot of people back home, at least where I come from, and I think where all of us come from, the issue looks like this.

The majority call it a rent-supplement bill. That is the issue they argue. They also say that the reason for section 101 is to provide more housing.

I spent all last weekend back home and I talked to a lot of people. I did not go back home to talk about politics actually. These were nonpolitical gatherings. But do you know what was on every person's tongue in asking what was going on in Congress? "What in the world are you people doing up there with this screwy rent-supplement idea?"

I will say to the distinguished majority leader that they used the word socialism. That is exactly what they used. I am not saying that is what it is, although after the majority leader finished saying it was not, I did go over to the dictionary and I looked at the definitions of the word, and here is one of them:

To distribute income and social opportunity more equitably than they are believed to be distributed now.

That is one of the definitions of socialism. I do not call the rent supplement that, but I will say to you, Mr. Majority Leader, that this is exactly what the people back home are calling it.

I would like to say two other things. Two points that they are talking about are these. One, that this is going to destroy homeownership and the initiative to build a home. This is also the issue as I see it. I wish all of the Members of the House could have heard the presentation made on the floor of the House yesterday by the gentlewoman from Ohio, because this was the point she made, and a very telling point and an able presentation. And this is precisely what the people back home are thinking we are up to doing.

The other thing they say is this—and this is also the issue to me. That is, that it is going to destroy a good deal of initiative. On the majority side they say, Sure, it is private enterprise, and so it is as far as the building of the houses is concerned and the rental of the houses. But as far as the incentive of the people who get the rent supplement, it strikes at the very heart of their incentive and it strikes at the very heart of what makes this Nation tick. The desire to get ahead, to better oneself, to do for oneself, all these terribly important motives are being struck down by their fantastic rent supplement idea. That is what the people back home are thinking about, and that is why they ask, "What in the world are you people doing in Congress?"

I should hope this section 101 will be rejected out of hand, the way it ought to be.

Mr. BOGGS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman and Members of the Committee, I rise in support of the Stephens amendment.

Mr. Chairman and Members of the Committee, some years ago I had the great privilege of serving on the Committee on Banking and Currency of the House of Representatives. As I look about this Chamber I see that there are not too many Members here who were on the committee when I served on it. As a matter of fact, on the minority side I do not believe there are any.

Mr. Chairman, one of the great debates that we had on that committee when I served there involved the subject of housing. We had concluded World War II and all over our Nation we had suspended the building of all kinds of housing, private housing and rental housing. We had practically no public housing program.

Mr. Chairman, the late great Senator from Ohio, Senator Taft, sponsored along with the late Senator from New York, Mr. Wagner, and the present senior Senator from my own State, Senator ELLENDER, what was called the Taft-Ellender-Wagner bill. As a matter of fact its name varied as to who happened to be in charge of the Congress. At one time it was the Taft-Ellender-Wagner bill, but when the Democrats came back in, it was the Wagner-Ellender-Taft bill.

In the 80th Congress, which was Republican, and to which my distinguished friend, the gentleman from Indiana gave very great leadership, the former distinguished Member from Michigan, Mr. Walcott, was chairman of the Committee on Banking and Currency. The Democrats on that committee attempted to report out the Taft-Ellender-Wagner bill, but we were not able to do so. At one point we had a one-vote majority because a former Member of this body from the great city of Philadelphia—incidentally named Scott, but not the present Senator SCOTT—shifted his vote because the then Republican mayor of Philadelphia called this Member and told him that he was very much interested in that bill.

Mr. Chairman, the reason we could not report that bill was because of the public

housing provisions contained in the bill. My good friends on the Republican side said that this was pure socialism and said that despite the fact that the senior Senator from Ohio, who as everybody knows had what one might call a liberal record on housing and education and health matters and many other matters, but despite his support of that measure we were unable to report that bill in that Congress. We did pass a housing bill but it did not include any phase of public housing.

We came back in the 81st Congress with the Democrats back in control and we passed that bill. As a matter of fact, the Taft-Ellender-Wagner bill, if my memory is correct, was H.R. 1. That year it had the title of "H.R. 1." It was hailed as a historic housing bill. It is still the basic housing legislation in this country.

But, Mr. Chairman, even then our Republican colleagues opposed, by and large, with some exceptions, of course, the public housing provisions of the bill and they said it was "socialism."

Today we hear from our Republican friends in connection with the new provisions of the bill that what we are doing is some radical departure from public housing. It is in that it moves to private enterprise.

I have great respect and great admiration for my Republican colleagues, but by and large—and I direct my remarks principally to my fellow Democrats—they have opposed these programs. They opposed in 1935, by and large, the social security program. Today most Members of this body support the program, although every time we make an innovation in it they say the same thing. Medicare is one example, education is another example, and there are countless others.

This week here in Washington there was a meeting of the Republican National Committee, in which the distinguished gentleman from Ohio, chairman of the Republican National Committee, made the point that the Republican Party had to broaden its base, it had to have appeal to people all over the United States. Maybe he is right, maybe he is wrong.

But the point is, as I see it, the Democratic Party has been the party that has been willing to look at problems and seek a solution.

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

Mr. BOGGS. Mr. Chairman, I ask unanimous consent to proceed for 1 additional minute.

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

There was no objection.

Mr. BOGGS. Mr. Chairman, as I see it, what we are trying to do here is to follow in the traditions of the Democratic Party. I would ask my fellow Democrats not to be deceived by the arguments, sincere though they may be, coming from the Republican side of the aisle, because they are arguments that have been heard ever since there has been a division in this aisle, ever since there has been a division between these two parties.

I hope when the vote comes on this amendment the Democratic Party, the traditional party of progress and growth will be for this program and not against it.

Mr. DEL CLAWSON. Mr. Chairman, I rise in opposition to the pending amendment.

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

Mr. DEL CLAWSON. I yield to the gentleman from Michigan.

Mr. HARVEY of Michigan. I thank the gentleman. We have just heard the very distinguished majority whip on the subject of the Ellender-Wagner-Taft proposal. Of course, there are many Members of this House who did not have the opportunity of serving at that time. Being one of those, I sent to the Library of Congress. I was curious as to what one whom I admired had to say about this particular program.

I would like to call to the attention of the House and to the gentleman from California a remark and conditions that the late and distinguished Senator from Ohio said as he proposed this particular bill, and then you can draw your own conclusions as to what he would think today about the rent supplement program.

This is what he said and I quote:

If we adopt this theory—

And there he was referring to the Government's responsibility in the field of public housing—with which I totally agree—he said:

If we adopt this theory and wish to avoid a complete centralization of authority in Washington, there must be certain, definite limitations.

Then he went on to list those—one, two, and three and he came to No. 2 and said—this was his second limitation, I would point to my friend, the gentleman from Louisiana:

The man who is aided must not be better off than the man who earns his own way.

Then his fourth limitation was this:

The cost must not be so great as to bear too heavily on the other four-fifths who have to work harder to pay the bill.

I submit this to you as qualifications to those of you who advocate rent supplements in contrast to public housing.

Mr. Chairman, I thank the gentleman for yielding.

Mr. DEL CLAWSON. Mr. Chairman, we have heard a number of comments today about the difference of opinion as to the meaning of free enterprise. Some have questioned whether or not this section 101 is a free enterprise provision in the housing act.

Free enterprise to me implies a number of things besides just the building of housing units by men who are contractors and the financing by big bankers. It implies, I think, the risk that is involved when men are competing—business and corporations competing with each other. There is a financial risk and their risk of capital as well as the competition among contractors and businessmen is part of the free enterprise system. May I add this. We use the term private and free enterprise because

freedom to me means the removal of some of the shackles that are binding our private enterprise system today and giving it increased freedom, rather than tying its existence to the patronage of the Federal Government.

In view of the statements that have been made, some factual statistics, I think, might be enlightening, particularly with reference to those families now in need of housing who are housed in slums or blighted areas and who need decent, safe, and sanitary housing. There has been used the statistic of 500,000 who are on the public housing waiting list for admission.

During the course of the hearings, the figure was used of 550,000 families who are waiting for this kind of housing.

Let us examine the statistics just for a moment and see what this bill and the existing program might do in connection with these waiting families. There is an average turnover in public housing, existing public housing today, of 125,000 units. These are on the public housing availability list as the turnover takes place because of normal vacancies or because of increased income limits making families ineligible to continue occupancy. To this can be added 240,000 units which the present bill authorizes and 170,000 units which the public housing administration has in its various stages of readiness today.

Now over a 4-year period covered by this bill, this means there would be available for use 410,000 new units—new units available to low-income families—under the public housing program. That is 410,000 new units. Added to these 410,000 new units provided in this bill, separate and apart from the rent supplement section, would be the 500,000 vacated units in public housing according to the statistics we have available to us. Surely, this total of 910,000 available units in the time allowed makes doubtful the pressing need for the 375,000 units that the amendment would provide in the rent supplement program so far as our public housing is concerned.

I see no reason for adding this kind of program to that which is already in existence and which would provide the housing if we move along without the dilatory practices that have caused the delay up to this point in the public housing program.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MOORHEAD. Mr. Chairman, I move to strike the requisite number of words.

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

Mr. MOORHEAD. I am delighted to yield to the chairman of the committee.

Mr. PATMAN. I should like to determine whether we can agree on a time limit. The gentleman from Pennsylvania [Mr. MOORHEAD] wishes to speak, in answer to the gentleman from California [Mr. DEL CLAWSON]. I understand there is a Member on the other side wishes to speak, and we have one other. That would require 15 minutes. How many other Members wish to speak?

Mr. GERALD R. FORD. Mr. Chairman, would the chairman of the Committee on Banking and Currency defer

requesting any limitation on time for 5 or 10 minutes?

Mr. PATMAN. I shall be glad to.

Mr. MOORHEAD. Mr. Chairman, throughout the development of this legislation in the Housing Subcommittee there was an almost unanimous bipartisan support of 68 of the 69 sections of this legislation. This has been accomplished by a very healthy process of give and take and a mutual respect for the ideas of members of the opposite party.

Mr. Chairman, it is in that spirit the Stephens amendment was offered.

Under the bill as reported by the committee, the Administrator could have provided rent supplements to families with incomes above the level for qualifying for public housing, and fear was expressed that the Administrator would use his discretionary authority to assist those only in the level above public housing and completely disregard those in the public housing level of income.

Now, I do not believe he would have done so, but whether he would have or not, it is clear that if the Stephens amendment is adopted rent supplements will go exclusively to the lowest income levels, to those people who are eligible for public housing.

As the chairman of the full committee said, this amendment answers many of the objections made in the debate. It is in the spirit of the accord with and respect which we have for the Members across the aisle.

I believe that it answers the objection of the gentleman from Michigan [Mr. HARVEY] who said of section 101:

It is intended to benefit not the low-income group but the moderate income group.

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

Mr. MOORHEAD. I am glad to yield to the gentleman from Michigan.

Mr. HARVEY of Michigan. I submit to the gentleman that I still have before me the statement of Mrs. McGuire, which shows that persons earning \$11,200 a year in New York will be eligible for this rent supplement program, at 5¾ percent interest. I still do not believe those to be low-income persons, at least not in Saginaw, Mich., where I come from.

Mr. MOORHEAD. I suggest to the gentleman, who supports public housing, that when we get to that section of the bill, if the gentleman has an amendment to offer to correct any abuses, I am sure we will be glad to entertain it.

That is where the amendment should be offered, rather than to section 101.

If I may, I will proceed.

The gentleman from New York [Mr. FINO] said in debate about the unamended section 101:

It does not aim at building low-income housing.

If the Stephens amendment is adopted, that is exactly what section 101 would do.

The gentleman from Tennessee [Mr. BROCK] said:

We are going to subsidize the middle-income group.

If the Stephens amendment is adopted, that is exactly what we will not do.

The gentleman from California [Mr. TALCOTT] said:

I do favor Federal assistance for families with low incomes.

If the Stephens amendment is adopted, that is exactly what section 101 will provide.

The major objections which have been made to section 101, in a spirit of give and take on this side of the aisle, have been met. I hope it will be successful and that we may have bipartisan support for section 101 and the Stephens amendment.

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

Mr. MOORHEAD. I am glad to yield to the distinguished majority leader.

Mr. ALBERT. Are we not tying the rent supplement to public housing? If the rent supplement in the bill is too high, then public housing, which the gentleman from Michigan is supporting, is too high, also?

Mr. MOORHEAD. Yes. That is where any amendment should be made. We have no other criterion with respect to income level in housing than the public housing level. That is why the public housing level was used in the Stephens amendment.

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

Mr. MOORHEAD. I am delighted to yield to my colleague on the Housing Subcommittee.

Mr. BROCK. The gentleman referred to section 101, and stated I had said it was written primarily for middle-income people. I should like for the gentleman to show me where the Stephens amendment would eliminate the subsidy for middle-income people.

Under his amendment the limit is still \$10,500 a year. I do not consider that to be low income and neither does anyone else.

Mr. MOORHEAD. I will say to the gentleman from Tennessee that 99 percent, if not more, of the people occupying public housing are at the lowest income level. If there are abuses under the public housing law, then we should amend it to correct those abuses, because we are using a standard here which is successful at least in 99 percent of the cases. If there is some unusual aberration or some quirk, then there is where we should amend the law. Let us not defeat this supplemental program, this good program which will supplement public housing which may, if it works very well, eliminate the need for some of the public housing. If there are flaws and abuses, let us amend the public housing law.

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

Mr. GERALD R. FORD. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, for the last hour or so we have heard many soothing observations and recommendations from the other side of the aisle trying to gloss

over the fundamental weakness in the rent supplement program.

For example, my good friend, the gentleman from Pennsylvania [Mr. BARRETT], in his remarks, as I recall them, said that the substitute offered at this late date pours oil on troubled waters. Anyone who has had any experience with troubled waters at sea knows that the pouring of oil on the troubled water does not get to the basic root of the difficulty. It does not calm the storm which the ship faces. You do not dissolve the storm with surface oil. You do not eradicate the fundamental cancer by pouring oil on troubled waters.

The gentleman from Texas [Mr. PATMAN], in his very subtle and smooth way, said this substitute corrects many—and I underline “many”—of the abuses and many of the deficiencies. I think it is well to emphasize that by the careful words that he used he admitted it did not cure all of the deficiencies, far from it.

Again the gentleman from Pennsylvania, my friend [Mr. BARRETT], in his remarks emphasized that there were some changes from the original version of section 101 but that there was no basic abandonment of the fundamental concept with which many of us disagree.

Then my very close friend, the distinguished majority leader, as I recall his observation, said, “This proposed substitute rewrites the original version of section 101.”

Well, ladies and gentlemen, there can be no rewriting of section 101 that eradicates the basic evil of the concept. The facts are that this substitute makes very minor adjustments. The facts are that the changes are minimal. The facts are that the intent, the purpose, of the original section 101 is included in the substitute. Make no mistake about that. Have no doubts about that.

Those who oppose section 101 in its original form were aiming at a \$8 billion contract. To substitute a \$6 billion contract does not make it a better deal. It is still a \$6 billion program that is basically unsound.

We who objected to the original section 101 had bona fide reservations about the long-term commitments that this Congress was making—40 years. The Congress today should not take that step. If we do we are obligating a great many Congresses in the years ahead that deserve better consideration from us. We will be freezing in those Congresses that succeed us. I do not think with an experimental program such as this that we ought to freeze the Treasury of the United States, our taxpayers, and subsequent Congresses to the extent of the next 40 years.

Let me make this crystal clear. This is a palliative that is being offered to us at this late date. To my friend, the gentleman from Pennsylvania [Mr. MOORHEAD], if this was a bona fide gesture to gain the support of the minority Members of this body as he alleged, I should have thought there would have been consultation by the proponents with those on the minority side. To my knowledge no such effort was made to consult anybody on the minority side.

So, in effect, this is an attempt to have the intents and purposes of the original section 101 rammed through this body.

I would like to point out what we think should be done on this occasion. I feel that all people who basically oppose section 101 in the first instance ought to oppose this minor modification. We ought to vote down the substitute categorically. And I can assure those who do this that later in this debate, for certain when we have the motion to recommend, there will be a clear-cut issue to strike section 101 from the bill. I assure everybody here that if we defeat this phony substitute, this palliative, there will be a clear-cut opportunity later to vote on the original section 101.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. GERALD R. FORD] has expired.

Mr. McCORMACK. Mr. Chairman, I ask unanimous consent that the gentleman from Michigan have permission to proceed for 5 additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. GERALD R. FORD. I thank the distinguished Speaker.

I wish to repeat, if this substitute is defeated, as I hope it will be, then there will be an opportunity for us to vote solely on whether or not the original section 101 with all its evils will be retained in the bill.

Let me conclude with this observation. This 5-page substitute is a pure camouflage, and not a very good one.

It is very transparent in its aim and objective. This 5-page, lately born substitute is a pure and simple subterfuge. It will not fool anybody who has written any one of us saying, "We urge you to vote against this rent supplement proposal." Yes, it is obvious to me, and I am sure to everyone, that the attempt here is to do indirectly what could not be done directly. The facts are that section 101 in a straight test would be defeated.

One of the proponents of this bill said earlier in this debate that this substitute was an attempt to plug some of the obvious loopholes.

Mr. Chairman, I conclude by saying that if this substitute is approved, the net result will be that this will open the floodgates to rent-supplement legislation from now on.

Therefore, Mr. Chairman, I hope it is defeated.

Mr. McCORMACK. Mr. Chairman, I move to strike the requisite number of words.

Mr. PATMAN. Mr. Chairman, I ask unanimous consent that the gentleman from Massachusetts [Mr. McCORMACK] may proceed for 5 additional minutes.

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

There was no objection.

Mr. McCORMACK. Mr. Chairman, I rise in support of the amendment which has been offered by the gentleman from Georgia [Mr. STEPHENS].

Now, Mr. Chairman, my distinguished friend, the minority leader, the gentleman from Michigan [Mr. GERALD R.

FORD] has definitely placed himself—and that means, I assume, the great majority of his party, but I hope not all of his party—in the position of opposition to any efforts being made along the lines outlined in the amendment offered by the distinguished gentleman from Georgia [Mr. STEPHENS]. He makes it a clear-cut issue.

The gentleman from New York [Mr. FINO] also takes the same position, that he is absolutely and unconditionally opposed to legislation of this kind.

The gentleman from Michigan [Mr. HARVEY] made a most ingenious observation, the first time I had ever heard it made by a Republican Member in my 38 years of membership in the House of Representatives, when he said it would be a "big bankers' project" and "a big bankers' dream."

Mr. Chairman, I never thought I would see the day when I would hear a Republican Member directly or indirectly attack big bankers in any respect. And, might I say for the benefit of the gentleman from Michigan, that I defend the big bankers. I believe it is wrong to indict and convict any economic group of our citizens, whether they are big or little or medium sized. I am for big banks. I am for big business. I am for small business. I am for small banks.

Mr. HALLECK. Mr. Chairman, will the distinguished gentleman from Massachusetts yield?

Mr. McCORMACK. In just a minute. I am for the big businessman when he is right. So, when my friend from Michigan talks about a big bankers' project and that the program of rental supplement is a good deal for the big bankers—there cannot be any big bankers in his district or he would have thrown in some others—I was amazed and surprised, coming from a Republican Member of the House.

Mr. Chairman, again I say I have got to rise in defense of our big bankers against this Republican attack as a Democratic Member of the House.

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

Mr. McCORMACK. And, by the way, I am trying to help you out in your deal, too.

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

Mr. McCORMACK. I have already yielded.

Mr. HALLECK. Well, I thank the gentleman.

I might say to the gentleman first of all that I appreciate his solicitude for me and the solicitude that he has always expressed through the years. I really appreciate it.

Now, Mr. Chairman, the gentleman from Massachusetts has spoken of the people. He is right, but he has mentioned the big bankers and small bankers, the big business people and the small business people—

Mr. McCORMACK. When they are right.

Mr. HALLECK. But, he forgot to mention the taxpayers. Now, is he the forgotten man in this thing?

Mr. McCORMACK. Well, I think we remember the taxpayers, for the Democratic administration has given to the

taxpayers the biggest tax-reduction bill in the history of our country.

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

Mr. McCORMACK. And just recently this year there has been signed into law an approximately \$5 billion reduction in excise taxes. And, so my friend, you speak words. We Democrats give action.

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

Mr. McCORMACK. I am happy to yield to the gentleman from Louisiana.

Mr. BOGGS. As the gentleman has already pointed out, it is a fact in the past 3 years there has been a total tax reduction of \$17 billion.

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

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

Mr. HARVEY of Michigan. I want the gentleman to know I am also for both the big bankers and little bankers.

Mr. McCORMACK. The gentleman is apologizing now.

Mr. HARVEY of Michigan. The gentleman will permit me to continue?

Mr. McCORMACK. Not for too long, though.

Mr. HARVEY of Michigan. I am not certain that the gentleman was in the room when I made the distinction between the 5¾-interest rate and the 3¼-interest rate.

Mr. McCORMACK. The gentleman is very adroit, but I have had enough experience to know when I see adroitness. I was simply defending the big bankers that my friend from Michigan apparently attacked when he said this is a big bankers' dream.

Now, let us come to the amendment. There are about 6 million families in this country, as has been stated, who live under substandard conditions. Many Members of this House when they were youngsters, like myself, lived under substandard conditions, some of us under sub-substandard conditions. There is no monopoly on that as far as parties are concerned.

We are dealing with human beings. Those of us who started as youngsters under adverse economic conditions took advantage of the opportunities of our country and have made progress. But there are 6 million families in America who are faced with economic distress and economic adversity.

The rental question is a very vital one. A large percentage of our families with \$2,000 a year or less income pay 35 percent or more of their income for rent. Those getting between \$2,000 and \$3,000, another large percentage of the families of America, pay 35 percent or more for rent out of their income.

We are faced with and we are considering a problem dealing with human beings. I like to think of the conduct of our Government in connection with human beings, whether they are in the city or on the farm. That is why I always vote for farm legislation, because I want to try and cooperate in every way I can in connection with meeting the problems that confront the agricultural communities of our country.

We have to bear in mind that we have subsidies, direct and indirect, now, in various ways. Yes, this is a subsidy, but it is a subsidy for human beings who have been forgotten to a great extent, yet they are human beings who are Americans, our own American citizens. I support people abroad in the cause of humanity. Certainly I do not have to make this argument to Republicans or Democrats. I am talking to your mind—the human mind and the human heart. We are dealing with Americans. We are faced with a condition, not a theory. The Public Housing Law was incapable of meeting the problem. This is the natural and logical manner in which to do it; that is, as between having it financed and carried on in all aspects by private enterprise.

I think it is a very wise policy. I think it is a necessary policy in this year, 1965, and in the years ahead.

We are not talking about conditions as they existed 50 years ago and 100 years ago. We are talking about conditions as they exist today and tomorrow. The economic conditions confronting all of us are intense and those conditions bear particularly heavily on those who from an economic angle are not blessed with much of the world's goods. I know that my colleagues in this legislative body will think of those people who need help and will want to help them just as I do—I understand that.

The question obviously is to put into practical operation a program that will enable us to the best of our ability to do what we can among the segment of our people who are possessed of deep faith—and I find that the poor do have that strong loyalty to our country. There is no question of any lack of faith or lack of loyalty among the underprivileged and poor families of our country.

From another angle, may I say, and when anyone disagrees with me I respect them in disagreement—but when I do anything—when a condition exists that requires consideration, when I as a legislator can do anything that will strengthen the family life of our country I feel I am strengthening our country itself. Because the very basis of society and the strength of any nation is the collective strength of the families of the Nation and the more we strengthen the families of our Nation economically, the more we strengthen our country itself.

So, without going into politics—and my opening remarks were more or less facetious—pointed but facetious—but as I say without going into politics, I am making an appeal on the level of one human being to another.

The CHAIRMAN. The time of the distinguished Speaker, the gentleman from Massachusetts, has expired.

Mr. PATMAN. Mr. Chairman, if it is agreeable to my colleague, the gentleman from New Jersey [Mr. WIDNALL], I ask unanimous consent that all debate on section 101, and all amendments thereto, close in 20 minutes.

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

Mr. RYAN. Mr. Chairman, I object.

Mr. PATMAN. Mr. Chairman, I move that all debate on section 101, and all amendments thereto, close in 20 minutes.

The motion was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. O'HARA].

Mr. O'HARA of Illinois. Mr. Chairman, I wish time only to say that I have a deep and abiding affection for my native State of Michigan.

Public housing was part and parcel of the Michigan of my boyhood. When I was a boy years ago in Michigan the largest house in Berrien County, located between the county seat at Berrien Springs and the railroad at Berrien Center, was the poorhouse. That was true in almost every county in Michigan. The poorhouse was the largest house in the county and the poorhouse was public housing in its finest human expression.

But a few counties in Michigan did not have enough money to build a poorhouse, so the county officials got together and said to the poor people, "we will chip in a little bit to help pay your rent."

I am sure that the distinguished minority leader will be happy to know that the rent subsidy or settlement feature of the bill before us, which some rash souls on this side have called both rank socialism and big bankerism on rampage, is really a native of Michigan, something that the good people of Michigan with slender purses but big hearts, tried out in the dying years of the 19th century and found out that it worked in relieving human suffering. Mr. Speaker, the urges of good hearts and the vehicles for their delivery are ageless. The housing bill before us is such a vehicle.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. RYAN].

Mr. RYAN. Mr. Chairman and Members of the Committee, I regret we are confronted with this compromise amendment. I prefer the bill in its present form as it has been brought to the floor of the House. It may be that the realities of the legislative situation and the count of the House have convinced the Committee to support this compromise. Nevertheless, I must express my disappointment and my concern about the various changes in the rent supplement concept since it was originally proposed by the administration.

This rent supplement concept is a bold new idea. It should be used to reach those families whose incomes are above the public housing limit yet who cannot, because of the cost of housing, obtain decent housing at one-fifth of their income. That was the original intent of the program.

As proposed by the administration, it did not cover those who are eligible for public housing.

H.R. 7984, as reported out by the committee, changed the program. It provides that the rent supplement payment may not exceed the difference between 25 percent of the tenant's income and the rent—instead of 20 percent. It also includes low- and moderate-income peo-

ple. According to the committee report—report No. 365:

Rent supplement payments could not be made on behalf of anyone whose income was more than four times the minimum rent required to obtain standard private housing in the area.

Now the pending amendment requires that the income be below the income limitations for occupancy in public housing dwellings in the area.

What is happening is that the original intent is being compromised, and we are now asked to say this program shall only be tied to public housing. Let me point out that this is also tied to a program called the section 221(d)(3) program. That program was adopted in 1961, and to date no housing has been built under that program in the city of New York. It has not been implemented. FHA regulations are so drawn as to prevent it. Construction costs are too high.

I suspect very strongly, although I will reluctantly support this amendment, that the program will not build the housing which is needed in the big cities. We really need a massive public housing program, a program which will build hundreds of thousands of units. In New York City today there are 100,000 applications pending for public housing. There are 500,000 substandard housing units in the city of New York today. We need a crash public housing program.

This bill will not meet the need. Under the statute, there is a 15-percent limitation on the amount of public housing which can be allocated to any State. In the State of New York this means under the bill only 5,250 new units, and the city of New York will get even less than that. For H.R. 7984 provides for only 35,000 units of new construction per year.

I fear we are being misled. This rent supplement program is being tied to a program which has not been effective in the city of New York. It is doubtful that it will provide the housing we need. It is time we faced the realities of the situation and recognized that we need a bold and imaginative program of public housing.

The National Housing Conference recommended 125,000 units of public housing per year.

We should also provide a rent supplement program along the line originally proposed by the administration, under which people whose incomes are higher than the limits for public housing would be reached.

Mr. Chairman, there are too many individuals and families who cannot obtain decent housing for one-fifth of their income, to say nothing of one-quarter of their income.

Under the original rent supplement concept, a tenant would remain as his income increased, and the rent subsidy would be reduced. This was important in helping to stabilize communities. Under the proposed amendment, when a tenant's income goes above public housing eligibility limits, what will happen to him?

Mr. Chairman, when I appeared before the Housing Subcommittee, I urged that rent supplements should be provided for

State and city subsidized middle-income housing, such as the Mitchell-Lama limited profit programs in New York State and New York City. This would enable localities to expand middle-income housing plans, something that is sorely needed in New York and elsewhere. Tax abatement subsidy programs should have the benefit of the rent supplement concept.

I also proposed that the tenant selection process under the rent supplement program should not only be free from racial discrimination, but it should promote integrated housing. If tenant selection is put in the hands of private sponsors, as the bill proposes, the new housing will not be racially integrated. Either the HHFA should retain control of tenant selection or it should be done by a local public agency under HHFA supervision.

Mr. Chairman, while I do not believe we are being sufficiently imaginative in formulating this program, it is a new step which should be taken in the interests of housing the people of America.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. FARBSTEIN].

AMENDMENT OFFERED BY MR. FARBSTEIN

Mr. FARBSTEIN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FARBSTEIN as an amendment to the amendment offered by Mr. STEPHENS:

In section 101(b) of the matter proposed to be inserted, after "corporation, which" insert "(1)".

In such section 101(b), before the colon, insert the following: "or (2) is a mortgagor under section 231 of such Act, or a borrower under section 202 of the Housing Act of 1959, which has been approved after the enactment of this section (with respect to any project the construction of which has not been completed on the date of such enactment) for receiving the benefits of this section".

Mr. FARBSTEIN. Mr. Chairman, this is a very simple amendment. All I seek to do is to provide rent supplements, if it is eventually adopted, to developers specifically engaged in providing housing for the aged. That is all it does, and I hope that the committee will accept the amendment.

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

Mr. FARBSTEIN. I yield to the gentleman.

Mr. BARRETT. I very much sympathize with the amendment of the gentleman from New York, but this is a situation where it would be a double subsidy. As much as the committee would like to take it, we are unable to take it, because it is a further subsidy on the rent subsidy which we are now discussing.

Mr. FARBSTEIN. If the gentleman will read section 101, subdivision B, he will see that it refers to section 221(d) (3). Section 221 (d) (3) of the National Housing Act applies to supplements dealing with everything except housing for the aged. Section 231 of such act deals with the aged. All I seek to do is incorporate that section which applies to the aged so that the building for the aged

will be entitled to a supplement just like everyone else.

I cannot understand why there should be any objection to this amendment. I do hope that the chairman of the subcommittee will reconsider and accept it.

Mr. PATMAN. Mr. Chairman, I rise in opposition to the amendment to the amendment.

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

Mr. PATMAN. I yield to the gentleman from Pennsylvania [Mr. BARRETT].

Mr. BARRETT. Mr. Chairman, we have already covered the substitute for the elderly in the bill. Therefore I ask for an immediate vote against the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York to the amendment of the gentleman from Georgia [Mr. STEPHENS].

The amendment to the amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from New Jersey [Mr. JOELSON].

Mr. JOELSON. Mr. Chairman, I intend to support H.R. 7984 in its entirety, including the hotly disputed section 101.

I was perplexed yesterday to hear one of my colleagues warn that the rent supplement provision would destroy morale. I would like to know what is more destructive to a man's morale than to have him and his family live in a stinking, rat-infested slum.

It is all very well to talk, as my colleague did yesterday, about how her grandparents took their children on horseback over Indian trails. It so happens there are no Indian trails in the district which I represent, and I have not even seen a horse there lately. Unfortunately, however, there are people required to live in hell-holes that are an insult to the human spirit.

If we really want to help boost morale, we had better stop talking in meaningless platitudes and do something to help disadvantaged people live in decent surroundings. To state, as my colleague did yesterday, that people should build their own homes is to be completely out of touch with reality.

How can a man who earns so little as to be qualified for public housing, and is otherwise disabled or disadvantaged possibly build his own home? To suggest, as my colleague did yesterday, that the person who fails to do so is spineless is as unkind as it is unrealistic.

Let us stop mouthing empty phrases about the good old days and let us legislate for the present and the future so that American men and women can be helped to help themselves live in self-respect and decency.

The CHAIRMAN. The Chair recognizes the gentleman from Florida [Mr. HERLONG].

MOTION OFFERED BY MR. HERLONG

Mr. HERLONG. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. HERLONG moves that the Committee rise and report the bill back to the House with the recommendation that the enacting clause be stricken out.

Mr. HERLONG. Mr. Chairman, this whole business of attempting to embark on a program of rent subsidies or supplements has caused me to ponder just what comes next. If a man has substandard clothing, would we not have to give him a subsidy so that he can wear as expensive clothes as others? Recreation has become an integral part of our lives—would we not have to subsidize recreation to keep a man from feeling frustrated because he cannot afford the same recreational activities and clubs that his neighbor enjoys?

Speaking of recreation, a couple of months ago James J. Kilpatrick, writing in the Washington Star, satirically envisioned just what might happen when the Government, for example, invaded the recreational field of our national game—baseball. Because it so appropriately points up the ludicrousness of what is being attempted in this rent subsidy I would like to abridge and quote a bit of it.

It was opening day of the season, the Mets were playing the Dodgers at Shea Stadium. The usual pregame conference with the managers was held along the left field foul line.

Most of the new rules since the Government had taken over had been explained in spring training many times, but Casey Stengel, the manager of the Mets, could not get it straight.

"It is assumed," said the umpire with great patience, "that any team that wins fewer than 50 percent of its games is the victim of insidious discrimination which is a blatant affront to the conscience of this generation of Americans."

"Quite so," said Casey. "Last season we won 53 and lost 109."

"The new rules," the umpire said, "will not permit this. The acid of the Cards shall not be allowed to corrode the soul of the Mets. Neither can a prosperous nation tolerate islands of poverty in a sea of plenty. The Mets therefore begin the season with 15 games in the win column—and each of their hitters gets one extra strike."

After some argument the teams took the field. In the first inning the Dodgers loaded the bases and Willie Davis clobbered one into the stands. As he came trotting around third base the umpire came out and stopped him. "The challenge before us is clear and immediate," the umpire said. "You are flouting the Constitution. You are frustrating the intent of the Mets. The hymns of the oppressed have summoned us to justice. You are out."

Of course, this caused quite an argument but the umpire won it by putting Dodger manager, Walt Alston, out of the game.

By the end of the fifth inning the score was the Mets 3 and the Dodgers 8. It would have been much more one-sided but for the fact that, in the interest of social justice, the umpire had cut the Dodgers down to seven men. Willie Davis was playing the entire outfield by himself—but even with four strikes to the batter, the Mets were not making any progress. So the umpire summoned Stengel to discuss appropriate legislation.

"Unless we act anew," said the umpire, "with dispatch and resolution, we shall sanction a sad and sorrowful course for the future."

"What we need," said Casey, "is a few runs."

"The most crucial new instrument in our effort to improve the American pastime is the run supplement," said the umpire. "It now proposes to add to the rules through direct payment of a portion of the score of needy individuals and ball clubs."

So the umpire took two runs away from the Dodgers and gave them to the Mets. This made the score 6 to 5 in favor of the Dodgers. Then, in the bottom of the eighth, the Mets tied it up on a home run into short center field. It would have been a single in any other game, but the umpire ruled that inasmuch as the hitter had a batting average of less than .250 he was entitled to special benefits under the poverty program.

The game finally ended 6 hours after it began, with the score, Mets, 44; Dodgers, 41, but it would not have ended then if the umpire had not decided that all managers over 65 were entitled to a bonus.

Yes, this is ridiculous—and this whole rent supplement idea is just as ridiculous when you think about it. And that is why I cannot vote for it. The image that Congress, in the eyes of many people, already has of yielding to whatever comes up here just because some arms are twisted is already bad enough.

Mr. Chairman, I ask unanimous consent to withdraw my preferential motion.

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

There was no objection.

Mr. HALLECK. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HALLECK. Was unanimous consent granted for the withdrawal of that motion?

The CHAIRMAN. I am sure it was.

Mr. HALLECK. Then it would be in order to offer it again, would it not?

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. AYRES].

Mr. AYRES. Mr. Chairman, those of us who have not had the privilege of serving on the Committee on Banking and Currency and who have not had the privilege of analyzing this amendment that was just brought in today are somewhat confused as to just what the amendment proposes to do regarding those people who qualify for public housing but who cannot find a unit available.

I would like to ask the gentleman from Pennsylvania [Mr. BARRETT] a question. Assuming the head of a family here in the District of Columbia has a gross income of \$300, they would qualify for a \$75, or 25 percent of \$300, public housing unit. The unit is not available. No unit is available. So, they rent a winterized cottage on Chesapeake Bay and they buy a dozen pullets, a hog, and plant a garden. But they have to pay \$150 a month for this.

How much would the Government pay them for not being able to get a public housing unit out on East Capital Street?

Mr. BARRETT. The necessary payment.

Mr. AYRES. Even though he is paying \$150, half of his income in rent?

Mr. BARRETT. That is right.

Mr. AYRES. Well, then, who does this program help?

Mr. BARRETT. It helps the people in four groups. It helps the handicapped, the displaced people, the elderly, and those people who are living in slums, a term we have sophisticated and now say "substandard" housing. But we are talking about those who are living in filth and in slums. It is those people.

And the bill also limits the program to new or rehabilitated housing financed under FHA section 221(d)(3).

The CHAIRMAN. The Chair recognizes the gentleman from Missouri [Mr. ICHORD].

Mr. ICHORD. Mr. Chairman, I take this time to inquire of the subcommittee chairman as to section 101.

As I understand it, if the amendment is adopted the eligibility standards of public housing will become the standards of rental supplements.

Let me put a hypothetical question to the gentleman from Pennsylvania. Assuming a man is earning \$6,200 a year, and he qualifies and receives a rent supplement. He later gets a better job, making \$9,000 a year.

Would his rent supplement be reduced?

Mr. BARRETT. This is a very good point, and I am glad the gentleman brought this point up. This is the simplicity of the legislation which has been neglected in the discussion for the last couple of days. If that party were eligible in the beginning for rent supplementation, and if his family increased its earnings, his supplementation would go down. The best practical answer that I can give this House is to look at the two escalators contained herein. As the family income rises, the rent supplement would go down. When he reaches a point that he is financially capable of paying the economic rent, he can stay in the apartment, and he is not evicted as he would be in public housing.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. CEDERBERG].

Mr. CEDERBERG. Mr. Chairman, I think we have made just a little bit of progress here today when the gentleman from New York offered an amendment and it was opposed by the gentleman from Pennsylvania, on the grounds that it represented a double subsidy.

Certainly I believe we can only stand with one subsidy of this kind in a day and I am glad that the gentleman did not accept it.

Mr. Chairman, this represents the very worst program that has been presented to the Congress in the time I have served here.

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

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

Mr. HARVEY of Michigan. Mr. Chairman, I want to take this time to point out to the Members of the House that there is another program in this housing bill, and if this section 101 and this amendment is defeated—because we know now it was hastily conceived in the last minute, a six-page amendment, after days of laborious hearings were held on the general legislation—we know it will not work—there is another section, section 103, that is a good substitute for it that is already in the bill. It is a much cheaper section where you are dealing with the rent situation for a period of 12 to 36 months instead of 40 years. You are dealing with existing dwellings of which there is a surplus, instead of going out and constructing new ones at this immense cost and at an interest rate of 5¼ percent.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. STANTON].

Mr. STANTON. Mr. Chairman, I yield to the gentleman from New York [Mr. GOODELL].

Mr. GOODELL. Mr. Chairman, a few moments ago the majority Whip made reference to the social security issue. I have heard this dead horse beaten many times, and I think the RECORD ought to be absolutely clear that the Republicans did not oppose social security. The vote on April 19, 1935, in the House was 77 Republicans voting for it, and 18 opposed to it. Some people seem to enjoy re-writing history, but let us stick to the facts.

Mr. PATMAN. What about the motion to recommit?

The CHAIRMAN. The Chair recognizes the gentleman from Tennessee [Mr. BROCK].

Mr. BROCK. Mr. Chairman, just one further comment on the comparison between sections 101 and 103 that the gentleman from Michigan [Mr. HARVEY] has made.

We should point out 103 has a cost of \$500 million instead of \$6 billion. In addition section 103 goes into immediate effect. Existing houses are available now instead of having to wait for 2 or 3 years.

Finally, we have been talking a lot about human beings, but you can never strengthen a family by destroying its incentive to own its own home.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. GUBSER].

Mr. GUBSER. Mr. Chairman, I listened with great interest to the sterling words of the Speaker when he told of his desire to help human beings. We all agree and are sincere in that desire. But I wonder, perhaps, with the great surplus of programs which are being enacted these days for that purpose, if we are not choking the poor to death with legislation.

In my time we have enacted hundreds of laws to benefit the economically underprivileged. We have enacted unemployment insurance, social security, WPA, PWA, NYA, public housing, urban redevelopment, slum clearance, manpower training and development, aid to

needy children, welfare programs, Apalachia, the food stamp bill, the poverty bill, accelerated public works, area redevelopment, vocational education, the Job Corps which spends \$7,000 annually on each of the underprivileged and hundreds of other programs.

Yet in spite of this endless stream of legislation each of which was billed as the millennium for the poor each year we hear someone come before us citing figures showing that poverty is on the increase; unemployment figures remain immune to Government programs designed to lower them, and new slums are being created each day.

In view of this dismal record perhaps we had better unlegislate for poverty instead of legislating for it.

The CHAIRMAN. The Chair recognizes the gentleman from New Jersey [Mr. WIDNALL].

Mr. WIDNALL. Mr. Chairman, I would just like to reiterate what I said before in the well of the House. I urge defeat of this amendment. The original proposition that was criticized so severely by so many, I supported, and will support it again if the pending amendment is defeated.

Before closing, I would like to compliment the very able chairman Mr. FLOOD for the very able way he has handled the debate today and for the good humor he has shown and fair treatment he has accorded to both the majority and minority Members. Believe me, we need some good laughs in Washington many times, and we are doubly grateful for your contribution to consideration of this bill.

The CHAIRMAN. All time on the pending amendment has expired.

The question is on the amendment offered by the gentleman from Georgia [Mr. STEPHENS].

Mr. FINO. Mr. Chairman, I ask for a teller vote on this amendment.

Tellers were ordered, and the Chairman appointed as tellers Mr. WIDNALL and Mr. PATMAN.

The Committee divided and the tellers reported that there were—ayes 190, noes 159.

So the amendment was agreed to.

The CHAIRMAN. The Clerk will read. The Clerk read as follows:

Extension of FHA section 221 programs; modification of interest rate; pooling of mortgages for sale

SEC. 102. (a) The fifth sentence of section 221(f) of the National Housing Act is amended by striking out "subsection (d) (2) or (d) (4) after September 30, 1965, or under subsection (d) (3) after September 30, 1965," and inserting in lieu thereof "this section after October 1, 1969."

(b) The proviso in section 221(d) (5) of such Act is amended by striking out "not less than the annual rate of interest determined" and inserting in lieu thereof "not less than the lower of (A) 3 per centum per annum, or (B) the annual rate of interest determined."

(c) Section 302(c) of such Act is amended by inserting before the last sentence thereof the following: "If there shall be included within one or more of the trusts or other agencies created pursuant to the authority of this subsection any mortgages bearing a below-market interest rate and insured under section 221(d) (3) after the date of the enactment of the Housing and Urban Development Act of 1965, there are authorized to be appropriated from time to time such amounts as may be necessary to reimburse the Association for the amount of the differential (including interest, other costs, and a fair proportion of administrative expense) between (1) the total outlay with respect to outstanding participations or other instruments in an amount not to exceed the dollar amount of such below-market interest rate mortgages, and (2) the total receipts from such mortgages."

Low-rent housing in private accommodations

SEC. 103. (a) The United States Housing Act of 1937 is amended by redesignating section 23 as section 24, and by adding after section 22 the following new section:

"Low-rent housing in private accommodations"

"SEC. 23. (a) For the purpose of providing a supplementary form of low-rent housing which will aid in assuring a decent place to live for every citizen and promote efficiency and economy in the program under this Act by taking full advantage of vacancies or potential vacancies in the private housing market, each public housing agency shall, to the maximum extent consistent with the achievement of the objectives of this Act, provide low-rent housing under this Act in the form of low-rent housing in private accommodations in accordance with this section where such housing in private accommodations can be provided at a cost equal to or less than housing in projects assisted under other provisions of this Act. As used in this section the term 'low-rent housing in private accommodations' means dwelling units in an existing structure, leased from a private owner, which provide decent, safe, and sanitary dwelling accommodations and related facilities effectively supplementing the accommodations and facilities in low-rent housing assisted under the other provisions of this Act in a manner calculated to meet the total housing needs of the community in which they are located. As used in this section, the term 'owner' means any person or entity having the legal right to lease or sublease property containing one or more dwelling units as described in this section.

"(b) Beginning as soon as practicable after the date of the enactment of this section, each public housing agency shall conduct a continuing survey and listing of the available dwelling units within the community or communities under its jurisdiction which provide decent, safe, and sanitary dwelling accommodations and related facilities and are, or may be made, suitable for use as low-rent housing in private accommodations under this section.

"(c) Each public housing agency, by notification to the owners of housing listed under subsection (b), or by publication or advertisement, or otherwise, shall from time to time make known to the public in the community or communities under its jurisdiction the anticipated need for dwelling units in such community or communities to be used as low-rent housing in private accommodations under this section, inviting the owners of such dwelling units to make available for purposes of this section one or more of such units (not exceeding 10 per centum of the units in any single structure except to the extent that the agency, because of the limited number of units in the structure or for any other reason, determines that such limit should not be applied). The public housing agency shall conduct appropriate inspections of the units offered to be made available in any residential structure by the owner thereof in response to such invitation, and if—

"(1) it finds that such units are, or may be made, suitable for use as low-rent housing in private accommodations within the meaning of subsection (a), and

"(2) the rentals to be charged for such units, as negotiated and agreed to by the agency and the owner of the structure in a manner consistent with subsection (d) (2), are within the financial range of families of low income,

such agency may approve such units for use as low-rent housing in private accommodations in accordance with (and subject to the applicable limitations contained in) this section. Each public housing agency shall maintain and keep current a list of units approved by it under this subsection, including such information with respect to each such unit as it may consider necessary or appropriate.

"(d) To the extent of contracts for annual contributions entered into by the Authority with a public housing agency under section 10(e), such agency may enter into contracts with the owners of structures containing dwelling units approved under subsection (c) for the use of such units in accordance with this section. Each such contract with an owner shall provide (with respect to any unit) that—

"(1) the selection of tenants for such unit shall be the function of the owner, subject to the provisions of the contract between the Authority and the agency;

"(2) the rental and other charges to be received by the owner shall be negotiated and agreed to by the agency and the owner, and the rental and other charges to be paid by the tenant shall be determined in accordance with the standards applicable to units in low-rent housing projects assisted under the other provisions of this Act;

"(3) the agency shall have the sole right to give notice to vacate, with the owner having the right to make representations to the agency for termination of a tenancy;

"(4) maintenance and replacements (including redecoration) shall be in accordance with the standard practice for the building concerned, as established by the owner and agreed to by the agency; and

"(5) the agency and the owner shall carry out such other appropriate terms and conditions as may be mutually agreed to by them. Each contract between a public housing agency and an owner entered into under this subsection shall be for a term of not less than twelve months nor more than thirty-six months, and shall be renewable by such agency and owner at the expiration of such term.

"(e) The annual contribution under this Act for a project of a public housing agency for low-rent housing in private accommodations under this section in lieu of any other guaranteed contribution authorized by section 10 shall not exceed the amount of the fixed annual contribution which would be established under this Act for a newly constructed project by such public housing agency designed to accommodate the comparable number, sizes, and kinds of families. The period over which payments will be made to a public housing agency for a project of low-rent housing in private accommodations under this section, and the aggregate amount of such payments, under a contract for annual contributions, shall be determined on the basis of the number of units in the community or communities under the jurisdiction of such agency which are in use (or can reasonably be expected to be placed in use) as low-rent housing in private accommodations under this section, taking into account the terms of the leases under which such units are (or will be) so used. In addition, contracts for financial assistance entered into by the Authority with a public housing agency pursuant to this section shall provide for reimbursement of reasonable and necessary expenses incurred by such agency in conducting surveys, listings, and inspections described in subsections (b) and (c).

"(f) On or before January 1, 1968, the Authority shall submit to the Congress a full

report of operations under this section, together with its recommendations with respect thereto."

(b) The last sentence of section 2(1) of such Act is amended by striking out "Income limits for occupancy and rents" and inserting in lieu thereof "Except as otherwise provided in section 23, income limits for occupancy and rents".

(c) The provisions of sections 10(h) and 15(7) of the United States Housing Act of 1937, and the workable program requirement in section 10(e) of such Act and section 101(c) of the Housing Act of 1949, shall not apply to low-rent housing in private accommodations provided under section 23 of the United States Housing Act of 1937.

Low-rent public housing

SEC. 104. (a) Section 10(e) of the United States Housing Act of 1937 is amended by inserting after "per annum," the following: "which limit shall be increased by \$47,000,000 on the date of the enactment of the Housing and Urban Development Act of 1965, and by further amounts of \$47,000,000 on July 1 in each of the years 1966, 1967, and 1968, respectively."

(b) Section 10(c) of such Act is amended by striking out "And provided further" and inserting in lieu thereof "Provided further", and by inserting before the period at the end thereof the following: "": And provided further, That the amount of the fixed annual contribution which would be established under this Act for a newly constructed project by a public housing agency designed to accommodate a number of families of a given size and kind may be established, as a maximum annual contribution in lieu of any other guaranteed contribution authorized under this section, for a project by such public housing agency which would provide housing for the comparable number, sizes, and kinds of families through the acquisition, acquisition and rehabilitation, or use under lease of existing structures which are suitable for low-rent housing use and obtainable in the local market".

(c) Section 2(2) of such Act is amended to read as follows:

"(2) The term 'families of low income' means families (including elderly and displaced families) who are in the lowest income group and who cannot afford to pay enough to cause private enterprise in their locality or metropolitan area to build an adequate supply of decent, safe, and sanitary dwellings for their use. The term 'families' includes families consisting of a single person in the case of elderly families and displaced families, and includes the remaining member of a tenant family. The term 'elderly families' means families whose heads (or their spouses), or whose sole members, have attained the age at which an individual may elect to receive an old-age benefit under title II of the Social Security Act, or are under a disability as defined in section 223 of that Act, or are handicapped within the meaning of section 202 of the Housing Act of 1959. The term 'displaced families' means families displaced by urban renewal or other governmental action."

(d) Section 15(7)(b) of such Act is amended by striking out "(1)" and all that follows down through "and (iii)", and by inserting in lieu thereof "and (1)".

Direct loans to provide housing for the elderly or handicapped

SEC. 105. (a) Section 202(a)(4) of the Housing Act of 1959 is amended by striking out "not to exceed \$350,000,000" and inserting in lieu thereof "such sums as may be necessary for purposes of this section."

(b) Effective with respect to loans made on or after the date of the enactment of this Act, section 202(a)(3) of such Act is amended by striking out "the higher of (A) 2 3/4 per centum per annum, or" and inserting in lieu

thereof "the lower of (A) 3 per centum per annum, or".

(c) Section 202(a) of such Act is further amended by adding at the end thereof the following new paragraph:

"(5) No loan shall be made under this section after October 1, 1969, except pursuant to a commitment entered into on or before such date."

Rehabilitation grants to homeowners in urban renewal areas

SEC. 106. (a) Title I of the Housing Act of 1949 is amended by adding at the end thereof the following new section:

"Rehabilitation grants

"SEC. 115. (a) Notwithstanding any other provision of this title, the Administrator may authorize a local public agency to make grants (and the urban renewal project may include the making of such grants) as prescribed in this section. Any such grant may be made only to an individual or family, as described in subsection (b), who owns and occupies a structure in an urban renewal area, and only for the purpose of covering the cost of repairs and improvements necessary to make such structure conform to public standards for decent, safe, and sanitary housing as required by applicable codes or other requirements of the urban renewal plan for the area. Any contract for financial assistance under this title shall provide that the capital grant otherwise payable for the project shall be increased by an amount equal to the total amount of the grants under this section and that no part of the total amount of such grants shall be required to be contributed as part of the local grant-in-aid.

"(b) A grant authorized by this section may be made to an individual or family whose income does not exceed \$2,000 a year, and such grant may be in an amount which does not exceed the lesser of (1) the actual (and approved) cost of the repairs and improvements involved, or (2) \$1,500. In case the income of the individual or family exceeds \$2,000 a year, a grant may be made under this section, subject to the limitations specified in clauses (1) and (2) of the preceding sentence, but only in an amount not to exceed that portion of the cost of the repairs and improvements which cannot be paid for with any available loan that can be amortized as part of such individual's or family's monthly housing expense without requiring such monthly housing expense to exceed 25 per centum of such individual's or family's monthly income."

(b) Any contract with a local public agency which was executed under title I of the Housing Act of 1949 before the date of enactment of this Act may be amended to provide for grants authorized by section 115 of the Housing Act of 1949.

TITLE II—FHA INSURANCE OPERATIONS

Land development

SEC. 201. (a) The National Housing Act is amended by adding at the end thereof the following new title:

"TITLE X—MORTGAGE INSURANCE FOR LAND DEVELOPMENT

"Definitions

"SEC. 1001. As used in this title—

"(a) the term 'mortgage' means a lien or liens on real estate in fee simple, or on a leasehold (1) under a lease for not less than ninety-nine years which is renewable or (2) under a lease having a period of not less than fifty years to run from the date the mortgage was executed;

"(b) the term 'first mortgage' includes such classes of first liens as are commonly given to secure advances (including but not limited to advances during construction) on, or the unpaid purchase price of, real estate under the laws of the State in which the real estate is located, together with the

credit instrument or instruments, if any, secured thereby, and may be in the form of trust mortgages or mortgage indentures or deeds of trusts securing notes, bonds, or other credit instruments;

"(c) the terms 'mortgagee', 'mortgagor', and 'State' have the same meaning as in section 207 of this Act;

"(d) the term 'improvements' means waterlines and water supply installations, sewerlines and sewage disposal installations, roads, streets, curbs, gutters, sidewalks, storm drainage facilities, and other installations or work, whether on or off the site, which the Commissioner deems necessary or desirable to prepare land primarily for residential and related uses or to provide, for public or common use, facilities which (1) shall include only such buildings as are needed in connection with water supply or sewage disposal installations and such buildings, other than schools, as the Commissioner considers appropriate, and (2) are to be owned and maintained jointly by the property owners; and

"(e) the term 'land development' means the process of making, installing, or constructing improvements.

"Basic conditions for insurance

"SEC. 1002. The Commissioner is authorized (1) to insure, upon such terms and conditions as he may prescribe, any first mortgage (including advances on such mortgage) in accordance with the provisions of this title and (2) to make a commitment for the insurance of such mortgage prior to the date of execution of such mortgage or prior to the date of disbursement of the mortgage proceeds. No mortgage shall be insured under this title after October 1, 1969, except pursuant to a commitment to insure issued before such date.

"SEC. 1003. The mortgage shall—

"(a) be executed by a mortgagor, other than a public body, approved by the Commissioner;

"(b) be made to and held by a mortgage approved by the Commissioner; and

"(c) cover the land to be developed and the improvements to be made with the assistance of the mortgage insurance under this title, except facilities intended for public use and in public ownership.

"SEC. 1004. The principal obligation of the mortgage shall (1) not exceed 75 per centum of the Commissioner's estimate of the value of the property upon completion of the land development, and (2) not exceed the sum of 50 per centum of the Commissioner's estimate of the value of the land before development and 90 per centum of his estimate of the cost of such development. The outstanding principal obligations of mortgages involving a single land development undertaking, as defined by the Commissioner, shall at no time exceed \$12,500,000.

"SEC. 1005. The mortgage shall—

"(a) have a maturity, not to exceed seven years, and contain repayment provisions satisfactory to the Commissioner;

"(b) bear interest at a rate satisfactory to the Commissioner, and such interest shall be exclusive of premium charges for mortgage insurance and such service charges and fees as may be approved by the Commissioner; and

"(c) contain such terms and provisions with respect to protection of the security, payment of taxes, delinquency charges, prepayment, additional and secondary liens, and other matters as the Commissioner may in his discretion prescribe.

"SEC. 1006. A property or project to be financed by a mortgage insured under this title shall—

"(a) represent a good mortgage insurance risk; and

"(b) involve improvements that comply with all applicable State and local governmental requirements and with minimum standards approved by the Commissioner.

"Land planning"

"Sec. 1007. (a) The land development covered by a mortgage insured under this title shall be undertaken pursuant to a schedule, conforming to such requirements and procedures as the Commissioner may prescribe, that will assure the use of the land for the purposes for which it is to be developed within the shortest reasonable period consistent with the objectives of sound and economic community growth or urban development.

"(b) The land development shall be undertaken in accordance with an overall development plan, appropriate to the scope and character of the undertaking, which—

"(1) has received all governmental approvals required by State or local law or by the Commissioner;

"(2) is acceptable to the Commissioner as providing reasonable assurance that the land development will contribute to good living conditions in the area being developed, which area (i) will have a sound economic base and a long economic life, (ii) will be characterized by sound land-use patterns, and (iii) will include or be served by such shopping, school, recreational, transportation, and other facilities as the Commissioner deems adequate or necessary; and

"(3) is consistent with a comprehensive plan which covers, or with comprehensive planning being carried on for, the area in which the land is situated, and which meets criteria established by the Housing and Home Finance Administrator for such plans or planning.

"Encouragement of small builders and moderate cost housing"

"Sec. 1008. The Commissioner shall adopt such requirements as he deems necessary in land development covered by mortgages insured under this title to encourage the maintenance of a diversified local homebuilding industry, broad participation by builders, and the inclusion of a proper balance of housing for families of moderate or low income.

"Water and sewerage facilities"

"Sec. 1009. After development of the land it shall be served by public systems for water and sewerage which are consistent with other existing or prospective systems within the area. If the Commissioner determines that public ownership of such a system is not feasible, he may approve an adequate privately or cooperatively owned system which will be regulated, during the period of such ownership, in a manner acceptable to him with respect to user rates and charges, capital structure, methods of operation, and rate of return. Approval of such system shall be given only where the Commissioner receives assurances, satisfactory to him, with respect to eventual public ownership and operation of the system and with respect to the conditions and terms of any sale or transfer.

"Releases"

"Sec. 1010. The Commissioner may, on such terms and conditions as he may prescribe, consent to the release or subordination of a part or parts of the mortgaged property from the lien of the mortgage.

"Premiums and fees"

"Sec. 1011. The Commissioner shall collect reasonable premiums for the insurance of any mortgage under this title and make such charges as he determines are reasonable for the analysis of the land development plan and the appraisal and inspection of the property and improvements. On or before January 1, 1967, the Commissioner shall make a report to the Congress concerning the premium rates and other charges under this title that he estimates will be adequate to provide income sufficient for a self-supporting program.

"Insurance benefits"

"Sec. 1012. The provisions of subsections (e), (g), (h), (i), (j), (k), (l), and (n) of section 207 of this Act shall be applicable to mortgages insured under this title, except that as applied to such mortgages (1) any reference therein to section 207 shall be deemed to refer to this title, and (2) any reference to an annual premium shall be deemed to refer to such premiums as the Commissioner may designate under this title.

"Incontestability provisions"

"Sec. 1013. Any contract of insurance executed by the Commissioner under this title shall be conclusive evidence of the eligibility of the mortgage for insurance, and the validity of any contract of insurance so executed shall be incontestable in the hands of an approved mortgagee from the date of the execution of such contract, except for fraud or material misrepresentation on the part of such approved mortgagee.

"Rules and regulations"

"Sec. 1014. The Commissioner is authorized to make such rules and regulations and to require such agreements as he may deem necessary or desirable to carry out the provisions of this title.

"Taxation provisions"

"Sec. 1015. Nothing in this title shall be construed to exempt any real property acquired and held by the Commissioner under this title from taxation by any State or political subdivision thereof to the same extent, according to its value, as other real property is taxed.

"Cost certification"

"Sec. 1016. (a) The Commissioner shall adopt such requirements as he determines necessary to assure, at reasonable intervals of time during land development and upon completion of such development, that the amount of the mortgage loan outstanding at each such interval does not exceed with respect to that portion of the land remaining under the lien of the mortgage (1) 50 per centum of the Commissioner's estimate of the value of such remaining land before development, plus (2) 90 per centum of the actual costs of the development allocated by the Commissioner to such remaining land.

"(b) From time to time during, and upon completion of, the development, the Commissioner shall require the mortgagor to certify as to the actual costs of development of the land.

"(c) Certifications required pursuant to this section shall be accompanied by such data and records as the Commissioner shall prescribe.

"(d) A mortgagor's certification approved by the Commissioner shall be final and incontestable except for fraud or material misrepresentation on the part of the mortgagor.

"(e) As used in this section, the term 'actual costs' means the costs (exclusive of kickbacks, rebates, or trade discounts) to the mortgagor of the improvements involved. These costs may include amounts paid for labor, materials, construction contracts, land planning, engineers' and architects' fees, surveys, taxes, and interest during development, organizational and legal expenses, such allocation of general overhead expenses as are acceptable to the Commissioner, and other items of expense incidental to development which may be approved by the Commissioner. If the Commissioner determines there is an identity of interest between the mortgagor and the contractor, there may be included an allowance for contractor's profit in an amount deemed reasonable by the Commissioner."

"(b)(1) Section 302(b) of the National Housing Act is amended by striking out "the term 'mortgages'" in the last sentence and

inserting in lieu thereof "the terms 'mortgages' and 'home mortgages'".

(2) The first paragraph of section 24 of the Federal Reserve Act is amended by inserting before the next to last sentence the following new sentence: "Notwithstanding the foregoing limitations and restrictions in this section, any national banking association may make loans for land development which are secured by mortgages insured under title X of the National Housing Act."

(3) Section 5(c) of the Home Owners Loan Act of 1933 is amended by adding at the end thereof the following new paragraph:

"Without regard to any other provision of this subsection, any such association may, to such extent as the Federal Home Loan Bank Board may by regulation permit, invest in loans, and interests in loans, secured by mortgages as to which the association has the benefit of insurance under title X of the National Housing Act or of a commitment or agreement for such insurance, and investments under this sentence shall not be included in any percentage of assets or other percentage referred to in this subsection."

"Extension of insurance authorizations"

Sec. 202. (a) Section 2(a) of the National Housing Act is amended by striking out "October 1, 1965" and inserting in lieu thereof "October 1, 1969".

(b) Section 217 of such Act is amended—

(1) by striking out "title VIII" and inserting in lieu thereof "title VIII, or title X", and

(2) by striking out "October 1, 1965" and inserting in lieu thereof "October 1, 1969".

(c) The second sentences of sections 809 (f) and 810(k) of such Act are each amended by striking out "October 1, 1965" and inserting in lieu thereof "October 1, 1969".

"Multifamily mortgage limits for four or more bedroom units"

Sec. 203. (a) Section 207(c) (3) of the National Housing Act is amended—

(1) by striking out "and \$18,500 per family unit with three or more bedrooms" and inserting in lieu thereof "\$18,500 per family unit with three bedrooms, and \$21,000 per family unit with four or more bedrooms"; and

(2) by striking out "and \$22,500 per family unit with three or more bedrooms" and inserting in lieu thereof "\$22,500 per family unit with three bedrooms, and \$25,500 per family unit with four or more bedrooms".

(b)(1) Section 213(b)(2) of such Act is amended—

(A) by striking out "and \$18,500 per family unit with three or more bedrooms" and inserting in lieu thereof "\$18,500 per family unit with three bedrooms, and \$21,000 per family unit with four or more bedrooms"; and

(B) by striking out "and \$22,500 per family unit with three or more bedrooms" and inserting in lieu thereof "\$22,500 per family unit with three bedrooms, and \$25,500 per family unit with four or more bedrooms".

(2) Section 213(c) of such Act is amended by striking out "and not to exceed" and all that follows and inserting in lieu thereof the following: "and not to exceed a sum computed on the basis of a separate mortgage for each single-family dwelling (irrespective of whether such dwelling has a party wall or is otherwise physically connected with another dwelling or dwellings) comprising the property or project, equal to the total of each of the maximum principal obligations of such mortgages which would meet the requirements of section 203(b)(2) if the mortgagor were the owner and occupant who had made any required payment on account of the property prescribed in such paragraph."

(c) Section 220(d)(3)(B)(iii) of such Act is amended—

(1) by striking out "and \$18,500 per family unit with three or more bedrooms" and inserting in lieu thereof "\$18,500 per family

unit with three bedrooms, and \$21,000 per family unit with four or more bedrooms"; and

(2) by striking out "and \$22,500 per family unit with three or more bedrooms" and inserting in lieu thereof "\$22,500 per family unit with three bedrooms, and \$25,500 per family unit with four or more bedrooms".

(d) Section 221(d) of such Act is amended—

(1) by striking out "and \$17,000 per family unit with three or more bedrooms" in paragraphs (3) (i) and (4) (ii) and inserting in lieu thereof "\$17,000 per family unit with three bedrooms, and \$19,250 per family unit with four or more bedrooms"; and

(2) by striking out "and \$20,000 per family unit with three or more bedrooms" in paragraphs (3) (ii) and (4) (ii) and inserting in lieu thereof "\$20,000 per family unit with three bedrooms, and \$22,750 per family unit with four or more bedrooms".

(e) Section 231(c) (2) of such Act is amended—

(1) by striking out "and \$17,000 per family unit with three or more bedrooms" and inserting in lieu thereof "\$17,000 per family unit with three bedrooms, and \$19,250 per family unit with four or more bedrooms"; and

(2) by striking out "and \$20,000 per family unit with three or more bedrooms" and inserting in lieu thereof "\$20,000 per family unit with three bedrooms, and \$22,750 per family unit with four or more bedrooms".

(f) Section 234(e) (3) of such Act is amended—

(1) by striking out "and \$18,500 per family unit with three or more bedrooms" and inserting in lieu thereof "\$18,500 per family unit with three bedrooms, and \$21,000 per family unit with four or more bedrooms"; and

(2) by striking out "and \$22,500 per family unit with three or more bedrooms" and inserting in lieu thereof "\$22,500 per family unit with three bedrooms, and \$25,500 per family unit with four or more bedrooms".

Rehabilitation in urban renewal areas

SEC. 204. Section 220(d) (3) (A) of the National Housing Act is amended—

(1) by striking out the second proviso in clause (1); and

(2) by striking out clause (ii) and inserting in lieu thereof the following:

"(ii) In a case where the mortgagor is not the occupant of the property and intends to hold the property for rental purposes, have a principal obligation in an amount not to exceed 93 per centum of the amount computed under the provisions of clause (1);

"(iii) In a case where the mortgagor is not the occupant of the property and intends to hold the property for the purpose of sale, have a principal obligation in an amount not to exceed 85 per centum of the amount computed under the provisions of clause (1), or in the alternative, in an amount equal to the amount computed under the provisions of clause (f) if the mortgagor and mortgagee assume responsibility in a manner satisfactory to the Commissioner for the reduction of the mortgage by an amount not less than 15 per centum of the outstanding principal amount thereof, or by such greater amount as may be required to meet the limitations of clause (iv), in the event the mortgaged property is not, prior to the due date of the eighteenth amortization payment of the mortgage, sold to a purchaser acceptable to the Commissioner who is the occupant of the property and who assumes and agrees to pay the mortgage indebtedness; and

"(iv) in no case involving refinancing (except as provided in clause (iii)) have a principal obligation in an amount exceeding the sum of the estimated cost of repair and rehabilitation and the amount (as deter-

mined by the Commissioner) required to refinance existing indebtedness secured by the property or project, plus any existing indebtedness incurred in connection with improving, repairing, or rehabilitating the property; or".

Nondwelling facilities for urban renewal housing

SEC. 205. Section 220(d) (3) (B) of the National Housing Act is amended by striking out clause (iv) and inserting in lieu thereof the following:

"(iv) include such nondwelling facilities as the Commissioner deems desirable and consistent with the urban renewal plan: *Provided*, That the project shall be predominantly residential and any nondwelling facility included in the mortgage shall be found by the Commissioner to contribute to the economic feasibility of the project."

Larger insured mortgages for servicemen

SEC. 206. Section 222(b) of the National Housing Act is amended—

(1) by striking out "\$20,000" in paragraph (2) and inserting in lieu thereof "\$30,000"; and

(2) by striking out paragraph (3) and inserting in lieu thereof the following:

"(3) have a principal obligation not in excess of the amount derived by applying the maximum ratio of loan to value prescribed in the first sentence of section 203 (b) (2); and".

Refinancing of insured mortgages

SEC. 207. Section 223(a) (7) of the National Housing Act is amended by striking out "section 608 of title VI prior to the effective date of the Housing Act of 1954 or under section 220, 221, 903, or section 908" and inserting in lieu thereof "this Act".

Consolidation of FHA insurance funds

SEC. 208. Title V of the National Housing Act is amended by adding at the end thereof the following new section:

"Establishment of general insurance fund

"Sec. 519. (a) There is hereby created a General Insurance Fund which shall be used by the Commissioner, on and after the date of the enactment of the Housing and Urban Development Act of 1965, as a revolving fund for carrying out all the insurance provisions of this Act with the exception of those specified in subsection (e). All mortgages or loans insured under this Act pursuant to commitments issued on or after the date of the enactment of the Housing and Urban Development Act of 1965, except those specified in subsection (e), and all loans reported for insurance under section 2 on or after the date of the enactment of the Housing and Urban Development Act of 1965, shall be insured under the General Insurance Fund. The Commissioner shall transfer to the General Insurance Fund—

"(1) the assets and liabilities of all insurance accounts and funds, except the Mutual Mortgage Insurance Fund, existing under this Act immediately prior to the enactment of the Housing and Urban Development Act of 1965;

"(2) all outstanding commitments for insurance issued prior to the date of the enactment of the Housing and Urban Development Act of 1965, except those specified in subsection (e);

"(3) the insurance on all mortgages and loans insured prior to the date of the enactment of the Housing and Urban Development Act of 1965, except insurance specified in subsection (e); and

"(4) the insurance of all loans made by approved financial institutions pursuant to section 2 prior to the date of the enactment of the Housing and Urban Development Act of 1965.

"(b) The general expenses of the operations of the Federal Housing Administration relating to mortgages and loans which are

the obligation of the General Insurance Fund may be charged to the General Insurance Fund.

"(c) Moneys in the General Insurance Fund not needed for the current operations of the Federal Housing Administration with respect to mortgages and loans which are the obligation of the General Insurance Fund shall be deposited with the Treasurer of the United States to the credit of such Fund, or invested in bonds or other obligations of, or in bonds or other obligations guaranteed as to principal and interest by, the United States. The Commissioner may, with the approval of the Secretary of the Treasury, purchase in the open market debentures issued as obligations of the General Insurance Fund or issued prior to the enactment of the Housing and Urban Development Act of 1965 under other provisions of this Act, except debentures issued under the Mutual Mortgage Insurance Fund. Such purchases shall be made at a price which will provide an investment yield of not less than the yield obtainable from other investments authorized by this section. Debentures so purchased shall be canceled and not reissued.

"(d) Premium charges, adjusted premium charges, and appraisal and other fees received on account of the insurance of any mortgage or loan which is the obligation of the General Insurance Fund, the receipts derived from the property covered by such mortgages and loans and from the claims, debts, contracts, property, and security assigned to the Commissioner in connection therewith, and all earnings on the assets of the Fund shall be credited to the General Insurance Fund. The principal of, and interest paid and to be paid on, debentures which are the obligation of such Fund, and cash insurance payments and adjustments, and expenses incurred in the handling, management, renovation, and disposal of properties acquired, in connection with mortgages and loans which are the obligation of such Fund, shall be charged to such Fund.

"(e) The General Insurance Fund shall not be used for carrying out the provisions of sections 203(b), 203(h), and 203(i), or the provisions of section 213 to the extent that they involve mortgages the insurance for which is the obligation of the Cooperative Management Housing Insurance Fund created by section 213(k); and nothing in this section shall apply to or affect any mortgages, loans, commitments, or insurance under such provisions."

Mutuality for management-type cooperatives

SEC. 209. (a) Section 213 of the National Housing Act is amended by adding at the end thereof the following new subsections:

"(k) There is hereby created a Cooperative Management Housing Insurance Fund (hereinafter referred to as the 'Management Fund'). The Management Fund shall be used by the Commissioner as a revolving fund for carrying out the provisions of this section with respect to mortgages or loans insured, on or after the date of the enactment of this subsection, under subsections (a) (1), (a) (3) (if the project is acquired by a cooperative corporation), (i), and (j). The Management Fund shall also be used as a revolving fund for mortgages, loans, and commitments transferred to it pursuant to subsection (m). The Commissioner is directed to transfer to the Management Fund from the General Insurance Fund established pursuant to section 519 such amount as the Commissioner determines to be necessary and appropriate. General expenses of operation of the Federal Housing Administration relating to mortgages or loans which are the obligation of the Management Fund may be charged to the Management Fund.

"(l) The Commissioner shall establish in the Management Fund, as of the date of the enactment of this subsection, a General

Surplus Account and a Participating Reserve Account. The aggregate net income thereafter received or any net loss thereafter sustained by the Management Fund, in any semiannual period, shall be credited or charged to the General Surplus Account or the Participating Reserve Account or both in such manner and amounts as the Commissioner may determine to be in accord with sound actuarial and accounting practice. Upon termination of the insurance obligation of the Management Fund by payment of any mortgage or loan insured under this section, and at such time or times prior to such termination as the Commissioner may determine, the Commissioner is authorized to distribute to the mortgagor or borrower a share of the Participating Reserve Account in such manner and amount as the Commissioner shall determine to be equitable and in accordance with sound actuarial and accounting practice: *Provided*, That in no event shall the amount of the distributable share exceed the aggregate scheduled annual premiums of the mortgagor or borrower to the year of payment of the share less the total amount of any share or shares previously distributed by the Commissioner to the mortgagor or borrower: *And provided further*, That in no event may a distributable share be distributed until any funds transferred from the General Insurance Fund to the Management Fund pursuant to subsection (k) or (o) have been repaid in full to the General Insurance Fund. No mortgagor, mortgagee, borrower, or lender shall have any vested right in a credit balance in any such account or be subject to any liability arising out of the mutuality of the Management Fund. The determination of the Commissioner as to the amounts to be paid by him to any mortgagor or borrower shall be final and conclusive.

"(m) The Commissioner is authorized to transfer to the Management Fund commitments for insurance issued under subsections (a) (1), (i), and (j) prior to the date of the enactment of this subsection, and to transfer to the Management Fund the insurance of any mortgage or loan insured prior to the date of the enactment of this subsection under subsection (a) (1), (a) (3) (if the project is acquired by a cooperative corporation), (i), or (j), but only in cases where the consent of the mortgagee or lender to the transfer is obtained or a request by the mortgagee or lender for the transfer is received by the Commissioner within such period of time after the date of the enactment of this subsection as the Commissioner shall prescribe: *Provided*, That the insurance of any mortgage or loan shall not be transferred under the provisions of this subsection if on the date of the enactment of this subsection the mortgage or loan is in default and the mortgagee or lender has notified the Commissioner in writing of its intention to file an insurance claim. Any insurance or commitment not so transferred shall continue to be an obligation of the General Insurance Fund.

"(n) Notwithstanding the limitations contained in other provisions of this Act, premium charges for mortgages or loans insured under this section and sections 207, 231, and 232 may be payable in debentures issued in connection with mortgages or loans transferred to the Management Fund or in connection with mortgages or loans insured pursuant to commitments transferred to the Management Fund, as provided in subsection (m) of this section.

"(o) Notwithstanding any other provision of this Act, the Commissioner is authorized to transfer funds between the Cooperative Management Housing Insurance Fund and the General Insurance Fund in such amounts and at such times as he may determine, taking into consideration the requirements of each such Fund, to assist in carrying out ef-

fectively the insurance programs for which such Funds were respectively established."

(b) Section 213 of such Act is further amended—

(1) by inserting before the period at the end of subsection (a) the following: "*Provided*, That as applied to mortgages the mortgage insurance for which is the obligation of the Management Fund, the reference to the General Insurance Fund in section 207 (b) (2) shall be construed to refer to the Management Fund"; and

(2) by inserting before the period at the end of subsection (e) the following: "*Provided*, That as applied to mortgages or loans the insurance for which is the obligation of the Management Fund (1) all references to the General Insurance Fund shall be construed to refer to the Management Fund, and (2) all references to section 207 shall be construed to refer to subsections (a) (1), (a) (3) (if the project involved is acquired by a cooperative corporation), (i), and (j) of this section".

Optional cash payment of insurance benefits

Sec. 210. Title V of the National Housing Act is amended by adding at the end thereof (after the new section added by section 208 of this Act) the following new section:

"Optional cash payment of insurance benefits

"Sec. 520. (a) Notwithstanding any other provisions of this Act with respect to the payment of insurance benefits, the Commissioner is authorized, in his discretion, to pay in cash or in debentures any insurance claim or part thereof which is paid on or after the date of the enactment of the Housing and Urban Development Act of 1965 on a mortgage or a loan which was insured under any section of this Act either before or after such date. If payment is made in cash, it shall be in an amount equivalent to the face amount of the debentures that would otherwise be issued plus an amount equivalent to the interest which the debentures would have earned, computed to a date to be established pursuant to regulations issued by the Commissioner.

"(b) The Commissioner is authorized to borrow from the Treasury from time to time such amounts as the Commissioner shall determine are necessary to make payments in cash (in lieu of issuing debentures guaranteed by the United States, as provided in this Act) pursuant to the provisions of this section. Notes or other obligations issued by the Commissioner in borrowing under this subsection shall be subject to such terms and conditions as the Secretary of the Treasury may prescribe. Each sum borrowed pursuant to this subsection shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of such notes or other obligations."

FHA mortgage financing for veterans

Sec. 211. Section 203(b) (2) of the National Housing Act is amended—

(1) by striking out "and not to exceed" and inserting in lieu thereof "and (except as provided in the last sentence of this paragraph) not to exceed"; and

(2) by adding at the end thereof the following new sentence: "If the mortgagor is a veteran (as defined in section 101(2) of title 38, United States Code) who has not received any direct, guaranteed, or insured loan under laws administered by the Veterans' Administration for the purchase, construction, or repair of a dwelling (including a farm dwelling) which was to be owned and occupied by him as his home, and the mortgage to be insured under this section covers property upon which there is located

a dwelling designed principally for a one-family residence, the principal obligation may be in an amount equal to the sum of (1) 100 per centum of \$20,000 of the appraised value of the property as of the date the mortgage is accepted for insurance, and (i) 85 per centum of such value in excess of \$20,000."

Mortgage limit for homes in outlying areas under FHA section 203(i) program

Sec. 212. Section 203(i) of the National Housing Act is amended by striking out "\$11,000" and inserting in lieu thereof "\$12,500".

TITLE III—URBAN RENEWAL

Study of housing and building codes, zoning, tax policies, and development standards

Sec. 301. (a) The Congress finds that the general welfare of the Nation requires that local authorities be encouraged and aided to prevent slums, blight, and sprawl, preserve natural beauty, and provide for decent, durable housing so that the goal of a decent home and a suitable living environment for every American family may be realized as soon as feasible. The Congress further finds that there is a need to study housing and building codes, zoning, tax policies, and development standards in order to determine how (1) local property owners and private enterprise can be encouraged to serve as large a part as they can of the total housing and building need, and (2) Federal, State, and local governmental assistance can be so directed as to place greater reliance on local property owners and private enterprise and enable them to serve a greater share of the total housing and building need. The Housing and Home Finance Administrator is therefore directed to study the structure of (1) State and local urban and suburban housing and building laws, standards, codes, and regulations and their impact on housing and building costs, how they can be simplified, improved, and enforced, at the local level, and what methods might be adopted to promote more uniform building codes and the acceptance of technical innovations including new building practices and materials; (2) State and local zoning and land use laws, codes, and regulations, to find ways by which States and localities may improve and utilize them in order to obtain further growth and development; and (3) Federal, State, and local tax policies with respect to their effect on land and property cost and on incentives to build housing and make improvements in existing structures.

(b) The Administrator shall submit a report based on such study to the President and to the Congress within 18 months after the enactment of the Housing and Urban Development Act of 1965 or the appropriation of funds for the study, whichever is later.

(c) There are authorized to be appropriated such funds as may be necessary to carry out the purposes of this section. Any funds so appropriated shall remain available until expended.

General neighborhood renewal plans

Sec. 302. Section 102(d) of the Housing Act of 1949 is amended—

(1) by striking out the fifth sentence and inserting in lieu thereof the following:

"In order to facilitate proper preliminary planning for the attainment of the urban renewal objectives of this title, the Administrator may also make advances of funds (in addition to those authorized above) to local public agencies for the preparation of General Neighborhood Renewal Plans (as herein defined). A General Neighborhood Renewal Plan may be prepared for an area which consists of an urban renewal area or areas together with any adjoining areas, and which is of such size that the urban renewal activities in the urban renewal area or areas may have to be carried out in stages, consistent with the capacity and resources of

the respective local public agency or agencies, over an estimated period of not more than ten years."; and

(2) by striking out clause (1) of the sixth sentence and inserting in lieu thereof the following:

"(1) in the interest of sound community planning it is desirable that the urban renewal activities proposed for the area be planned in their entirety;"

Increase in authorization for capital grants

Sec. 303. (a) The first sentence of section 103(b) of the Housing Act of 1949 is amended by striking out "\$4,725,000,000" and inserting in lieu thereof "\$4,700,000,000, which amount shall be increased by \$675,000,000 on the date of the enactment of the Housing and Urban Development Act of 1965, by \$725,000,000 on July 1, 1966, and by \$750,000,000 on July 1, in each of the years 1967 and 1968".

(b) The proviso in the first sentence of section 103(b) of such Act, and the second sentence of section 6(b) of the Urban Mass Transportation Act of 1964, are repealed.

Use of grant or loan funds in code enforcement and rehabilitation projects

Sec. 304. The unnumbered paragraph immediately following clause (8) in section 110(c) of the Housing Act of 1949 is amended—

(1) by inserting "(A)" before "no contract"; and

(2) by inserting before the period at the end of the paragraph the following: ", and (B) not less than 10 per centum of the aggregate amount of (1) grants authorized to be contracted for under this title by the Housing and Urban Development Act of 1965 and subsequent Acts, and (ii) loans authorized to be made under section 312 of the Housing Act of 1964, shall be available for projects assisted with such grants or loans which involve primarily code enforcement and rehabilitation".

Strengthened workable program requirement

Sec. 305. Section 101 of the Housing Act of 1949 is amended by adding at the end thereof the following new subsection:

"(e) No loan or grant contract may be entered into by the Administrator for an urban renewal project unless he determines that (A) the workable program for community improvement presented by the locality pursuant to subsection (c) is of sufficient scope and content to furnish a basis for evaluation of the need for the urban renewal project; and (B) such project is in accord with the program."

Rehabilitation loans

Sec. 306. (a) Section 312(d) of the Housing Act of 1964 is amended to read as follows:

"(d) In order to provide moneys for loans in accordance with this section, the Administrator is authorized to establish a revolving fund which shall comprise all moneys heretofore or hereafter appropriated pursuant to this section, together with all repayments and other receipts heretofore or hereafter received in connection with loans made under this section. There are authorized to be appropriated to such revolving fund, in addition to amounts authorized for the purposes of this section prior to the date of the enactment of the Housing and Urban Development Act of 1965, such funds as may be necessary to carry out the purposes of this section. All funds so appropriated shall remain available until expended."

(b) Section 312 of such Act is further amended by adding at the end thereof the following new subsection:

"(h) No loan shall be made under the authority of this section after October 1, 1969, except pursuant to a contract, commitment, or other obligation entered into pursuant to this section before that date."

Lease guaranties for small-business concerns displaced by urban renewal projects

Sec. 307. (a) Section 7 of the Small Business Act is amended by adding at the end thereof the following new subsection:

"(e)(1) The Administration also is empowered, in order to assist small-business concerns which have been displaced by urban renewal projects in obtaining leases of property for use in the conduct of their business operations, to insure the owner or lessor of any such property, or the lending institution financing the construction thereof, against losses which such owner, lessor, or institution might sustain as a result of the failure of the small-business concern to perform the lease in accordance with its terms.

"(2) No insurance under this subsection shall be granted by the Administration with respect to any lease unless—

"(A) the lease is for a period of not more than ten years and contains or is subject to such other terms and conditions as the Administration may require in order to protect the interests of the small-business concern and to insure that the lease will assist in carrying out the purpose of this Act; and

"(B) the small-business concern is financially sound and efficiently managed, and has provided satisfactory assurances that it will comply with the terms of the lease and any related documents and with such additional terms and conditions as the Administration may specify.

"(3) There is hereby established an insurance fund for use by the Administration in carrying out this subsection. Each person granted insurance under this subsection shall be required to pay premiums for such insurance, at such times and in such manner as may be prescribed by the Administration, in amounts which shall be fixed by the Administration but which shall not exceed, in the case of any lease, an amount equivalent to 1 per centum of the annual rental (or minimum rental) payable under such lease. Such premiums, together with any other receipts under the insurance program established by this subsection, shall be placed in the insurance fund. Moneys in such fund not needed for the payment of current operating expenses of the insurance program or for the payment of claims arising thereunder may be invested in bonds or other obligations of, or bonds or other obligations guaranteed as to principal and interest by, the United States; except that moneys made available to provide initial capital for such fund under the sixth sentence of section 4(c) shall be returned to the revolving fund established by such section, in such amounts and at such times as the Administration determines to be appropriate, whenever the level of such insurance fund (by reason of premiums and receipts from other sources) is sufficiently high to permit the return of such moneys without danger to the solvency of the insurance program under this subsection.

"(4) The Administration is authorized and directed to prescribe such rules and regulations as may be necessary to carry out this subsection."

(b) Section 4(c) of such Act is amended—

(1) by inserting "7(e)," after "7(b)," in the first sentence; and

(2) by inserting after the fifth sentence the following new sentence: "Not to exceed \$5,000,000 shall be made available to provide initial capital for the insurance fund established by section 7(e)(3)."

(c) Section 5(b) of such Act is amended—

(1) by inserting after "loans granted" in paragraphs (2) and (3) the following: "(or the performance of leases insured)";

(2) by striking out "loans made" each place it appears in paragraphs (4) and (7) and inserting in lieu thereof "loans made or leases insured"; and

(3) by striking out "and 7(b)" in paragraph (5) and inserting in lieu thereof "7(b), and 7(e)".

Relocation of displaced from urban renewal areas

Sec. 308. (a) Section 105(c) of the Housing Act of 1949 is amended to read as follows:

"(c) There shall be a feasible method for the temporary relocation of individuals and families displaced from the urban renewal area, and there are or are being provided, in the urban renewal area or in other areas not generally less desirable in regard to public utilities and public and commercial facilities and at rents or prices within the financial means of the individuals and families displaced from the urban renewal area, decent, safe, and sanitary dwellings equal in number to the number of and available to such displaced individuals and families and reasonably accessible to their places of employment. The Administrator shall issue rules and regulations to aid in implementing the requirements of this subsection and in otherwise achieving the objectives of this title. Such rules and regulations shall require that there be established, at the earliest practicable time, for each urban renewal project involving the displacement of individuals, families, and business concerns occupying property in the urban renewal area, a relocation assistance program which shall include such measures, facilities, and services as may be necessary or appropriate in order (A) to determine the needs of such individuals, families, and business concerns for relocation assistance; (B) to provide information and assistance to aid in relocation and otherwise minimize the hardships of displacement, including information as to real estate agencies, brokers, and boards in or near the urban renewal area which deal in residential or business property that might be appropriate for the relocating of displaced individuals, families, and business concerns; and (C) to assure the necessary coordination of relocation activities with other project activities and other planned or proposed governmental actions in the community which may affect the carrying out of the relocation program, particularly planned or proposed low-rent housing projects to be constructed in or near the urban renewal area. As a condition to further assistance after the enactment of this sentence with respect to each urban renewal project involving the displacement of individuals and families, the Administrator shall require, within a reasonable time prior to actual displacement, satisfactory assurance by the local public agency that decent, safe, and sanitary dwellings as required by the first sentence of this subsection are available for the relocation of each such individual or family."

(b) The requirements imposed by the amendment made by subsection (a) of this section shall not be applicable to any project receiving Federal recognition prior to the date of the enactment of this Act.

Redevelopment in accordance with urban renewal plan

Sec. 309. Section 106 of the Housing Act of 1949 is amended by adding at the end thereof the following new subsection:

"(h) Notwithstanding any other provision of this title, no contract shall be entered into for any loan or capital grant under this title with any local public agency unless the local public agency establishes, by evidence satisfactory to the Administrator, that any urban renewal project with respect to which such local public agency has received a loan or capital grant under this title has been, or will be, undertaken and carried out in substantial accordance with the urban renewal plan, and any amendments thereto, approved with respect to such project, and the terms of the contract for loan or capital grant covering such project."

Limitation on noncash grant-in-aid credit allowed for publicly owned parking facilities

Sec. 310. The parenthetical phrase in clause (3) of the first sentence of section 110(d) of the Housing Act of 1949 is amended by striking out "and" and inserting in lieu thereof a comma, and by inserting at the end thereof (within the parentheses) the following: ", and publicly owned parking facilities to the extent that the cost thereof is anticipated to be recovered from revenues".

Eligibility of communities in depressed areas for urban renewal assistance

Sec. 311. (a) Subparagraph (B) of section 103(a)(2) of the Housing Act of 1949 is amended to read as follows:

"(B) three-fourths of the aggregate net project costs of any such projects which are located in (i) a municipality having a population of fifty thousand or less according to the most recent decennial census, or (ii) a municipality situated in a labor market area which, at the time the contract or contracts involved are entered into or at such earlier time as the Administrator may specify in order to avoid hardship, is designated as a redevelopment area under the second sentence of section 5(a) of the Area Redevelopment Act or any other legislation enacted after the date of the enactment of the Housing and Urban Development Act of 1965 containing standards for designation as a redevelopment area generally comparable to those set forth in the second sentence of section 5(a) of the Area Redevelopment Act, and".

(b) The amendment made by subsection (a) shall apply only with respect to urban renewal projects placed under contract for capital grant on or after the date of the enactment of this Act; except that such amendment shall apply with respect to all urban renewal projects in the city of Providence, Rhode Island, placed under contract for capital grant during the period Providence was designated as a redevelopment area under section 5(a) of the Area Redevelopment Act (or at such earlier time as the Administrator may specify in order to avoid hardship) and not completed prior to the date of the enactment of this Act.

Local grants-in-aid for urban renewal project in Philadelphia

Sec. 312. Notwithstanding any other provision of law, moneys heretofore expended by the University of Pennsylvania for land included in the overall development plan proposed by the university and utilized, or to be utilized, in connection with new university facilities within one mile of urban renewal project Pennsylvania 5-3 (University City) shall (if otherwise eligible) be allowed as local grants-in-aid for such project.

TITLE IV—COMPENSATION OF CONDEMNNEES

Declaration of policy

Sec. 401. In order to encourage the acquisition of real property in a manner which affords fair and equitable treatment to owners and tenants of such property and on as nearly uniform a basis as practicable, the Congress hereby establishes a Federal policy of uniform land acquisition procedures for real property to be acquired in the course of Federally assisted development programs.

Definitions

Sec. 402. For the purposes of this title—

(1) the term "development program" means any program established by or conducted under any of the following provisions of law:

- (A) the United States Housing Act of 1937;
- (B) title I of the Housing Act of 1949;
- (C) title IV of the Housing Act of 1950;
- (D) title II of the Housing Amendments of 1955;
- (E) section 202 of the Housing Act of 1959; and

(F) title VII of the Housing Act of 1961;

(2) the term "Federal assistance" means a grant, loan, contract of guaranty, annual contribution, or other assistance provided by the United States:

(3) the term "applicant" means any public body or other agency or nonprofit institution authorized to receive Federal assistance under a development program;

(4) the term "interest" means any interest in real property and includes future, nonpossessionary, and leasehold interests;

(5) the term "real property" means any land, or any interest in land, and (A) any building, structure, or other improvements embedded in or affixed to land, and any article so affixed or attached to such building, structure, or improvement as to be an essential or integral part thereof; (B) any article affixed or attached to such real property in such manner that it cannot be removed without material injury to itself or the real property; and (C) any article so designed, constructed, or specially adapted to the purpose for which such real property is used that (i) it is an essential accessory or part of such real property, (ii) it is not capable of use elsewhere, and (iii) it would lose substantially all its value if removed from the real property; and

(6) the term "Administrator" means the Housing and Home Finance Administrator.

Land acquisition policy

Sec. 403. (a) As a condition of eligibility for Federal assistance pursuant to a development program, each applicant for such assistance shall satisfy the Administrator that the following policies will be followed in connection with the acquisition of real property by eminent domain in the course of such program—

(1) the applicant shall make every reasonable effort to acquire the real property by negotiated purchase;

(2) the real property shall be appraised before the initiation of negotiations, and the owner or his designated representative shall be given an opportunity to accompany the appraiser during his inspection of the property;

(3) before the initiation of negotiations for acquisition of real property, the applicant shall establish a price believed to be fair and reasonable and shall offer to acquire the property for the price so established;

(4) if only a part of or an interest less than a fee title to real property is to be acquired, the applicant shall provide the owner with a statement of its estimate of—

(A) the fair value of the entire property immediately before the acquisition,

(B) the fair value of the property remaining immediately after the acquisition,

(C) the fair value of the part of or interest in the property actually acquired,

(D) the damages, if any, resulting to the remaining property (or interest therein), and

(E) the benefits, if any, accruing to the remaining property (or interest therein);

(5) no owner shall be required to surrender possession of real property before the applicant pays to the owner (A) the agreed purchase price arrived at by negotiation, or (B) in any case where only the amount of the payment to the owner is in dispute, not less than 75 per centum of the most recent fair and reasonable price established under paragraph (3);

(6) the construction or development of any public improvements shall be so scheduled that no person lawfully occupying the real property shall be required to surrender possession on account of such construction or development without at least 90 days' written notice from the applicant of the date on which such construction or development is scheduled to begin;

(7) if the applicant does not require the use of a building, structure, or other im-

provement on the real property to be acquired, the applicant shall offer to permit its owner to remove it upon agreement that the fair value of the building, structure, or other improvement to be removed from the real property, as determined by the applicant, will be deducted from the compensation otherwise to be paid for the real property, or will be paid to the applicant by the owner;

(8) if the applicant permits an owner or tenant to rent acquired real property for a short term or for a period subject to termination by the applicant on short notice, the amount of rent required shall not exceed the fair rental value of the property to the owner or tenant for such term or period, as determined by the applicant;

(9) the applicant shall not advance the time of eminent domain, nor defer eminent domain or the deposit of funds in court for the benefit of the owner, in order to compel an agreement on the price to be paid for the real property;

(10) if the acquisition of only a part of any real property would leave its owner with an uneconomic remnant, the applicant shall acquire the entire property; and

(11) in determining the boundaries of a proposed public improvement, the applicant shall take into account human considerations, including the economic and social effects of the proposed public improvement on owners and tenants of real property in the area, in addition to engineering and other factors.

(b) Nothing in this section shall be construed as superseding or otherwise affecting the provisions of any State or local law, or as affecting the validity of any property acquisition by purchase or eminent domain.

Relocation payments under federally assisted development programs

Sec. 404. (a) To the extent not otherwise authorized under any Federal law, financial assistance extended to an applicant under any federally assisted development program may include grants for relocation payments, as herein defined. Such grants may be in addition to other financial assistance under such federally assisted development programs, and may cover the full amount of such relocation payments. The term "relocation payments" means payments by the applicant which are (1) made to an individual, family, business concern, or nonprofit organization displaced by a project on or after the date of the enactment of the Housing and Urban Development Act of 1965, and (2) made on such terms and conditions and subject to such limitations (to the extent applicable, but not including the date of displacement) as are provided for relocation payments, at the time such payments are approved, by sections 114 (b), (c), and (d) of the Housing Act of 1949 with respect to projects assisted under title I thereof. Relocation payments authorized by this subsection shall be made subject to such rules and regulations as may be prescribed by the Administrator.

(b) Section 114(b)(2) of the Housing Act of 1949 is amended by striking out "\$1,500" and inserting in lieu thereof "\$2,500".

(c) (1) Section 114 of such Act is further amended by redesignating subsection (d) as subsection (e) and by inserting after subsection (c) the following new subsection:

"(d) In addition to payments authorized to be made under subsections (b) and (c), a local public agency may pay to any displaced individual, family, business concern, or nonprofit organization reasonable and necessary expenses incurred for (1) recording fees, transfer taxes, and similar expenses incidental to conveying real property to a project assisted under this title, (2) penalty costs for prepayment of any mortgage encumbering such real property, and (3) the pro rata portion of real property taxes allocable to a period subsequent to the date of vesting of

title or the effective date of the acquisition of such real property by such agency, whichever is earlier."

(2) Section 15(8) of the United States Housing Act of 1937 is amended by striking out "section 114 (b) or (c)" and inserting in lieu thereof "section 114 (b), (c), and (d)".

(d) Subsection (a) shall not be applicable to any project receiving financial assistance under a development program prior to the date of the enactment of this Act.

Funds for certain payments in eminent domain

SEC. 405. Notwithstanding any other provision of law, financial assistance under any federally assisted development program may include amounts necessary for financing, in the same manner that other costs of a project assisted under such program are financed, the payments described in paragraph (5) (B) of section 403(a) of this Act.

TITLE V—COLLEGE HOUSING

Increase in authorization for college housing loans

SEC. 501. Section 401(d) of the Housing Act of 1950 is amended by striking out "through 1965" each place it appears and inserting in lieu thereof "through 1968".

Interest rate on college housing loans

SEC. 502. (a) Effective with respect to loan contracts entered into after the date of the enactment of this Act, section 401(c) of the Housing Act of 1950 is amended by striking out "the higher of (1) 2½ per centum per annum, or" and inserting in lieu thereof "the lower of (1) 3 per centum per annum, or".

(b) Effective with respect to notes or other obligations financing loan contracts entered into after the date of the enactment of this Act, section 401(e) of such Act is amended by striking out "the higher of (1) 2½ per centum per annum, or" and inserting in lieu thereof "the lower of (1) 2¾ per centum per annum, or".

Parking facilities for colleges and universities

SEC. 503. Section 404(h) of the Housing Act of 1950 is amended by adding at the end thereof the following new sentence: "In addition, such term includes parking facilities primarily to serve the needs of students and faculty."

TITLE VI—COMMUNITY FACILITIES

Purpose

SEC. 601. The purpose of this title is to assist and encourage the communities of the Nation fully to meet the needs of their citizens by making it possible, with Federal grant assistance, for their governmental bodies (1) to construct adequate basic water and sewer facilities needed to promote the efficient and orderly growth and development of the communities; and (2) to construct neighborhood facilities needed to enable them to carry on programs of necessary social services.

Grants for basic water and sewer facilities

SEC. 602. (a) The Housing and Home Finance Administrator (hereinafter in this title referred to as the "Administrator") is authorized to make grants to local public bodies and agencies to finance specific projects for basic public water and sewer facilities (including works for the storage, treatment, purification, and distribution of water.)

(b) The amount of any grant made under the authority of this section shall not exceed 50 per centum of the development cost of the project.

(c) No grant shall be made under this section in connection with any project unless the Administrator determines that the project is necessary to provide adequate water or sewer facilities for, and will contribute

to the improvement of the health or living standards of, the people in the community to be served, and that the project is (1) designed so that an adequate capacity will be available to serve the reasonably foreseeable growth needs of the area, (2) consistent with a program meeting criteria, established by the Administrator, for a unified or officially coordinated areawide water or sewer facilities system as part of the comprehensively planned development of the area, except that prior to July 1, 1968, grants may, in the discretion of the Administrator, be made under this section when such a program for an areawide water and sewer facilities system is under active preparation, although not yet completed, if the facility or facilities for which assistance is sought can reasonably be expected to be required as a part of such program, and there is urgent need for the facility or facilities, and (3) necessary to orderly community development.

Grants for neighborhood facilities

SEC. 603. (a) The Administrator is authorized to make grants, in accordance with the provisions of this section, to local public bodies and agencies to finance specific projects for neighborhood facilities.

(b) The amount of any grant made under the authority of this section shall not exceed 66½ per centum of the development cost of the project for which the grant is made (or 75 per centum of such cost in the case of a project located in an area which at the time the grant is made is designated as a redevelopment area under section 5 of the Area Redevelopment Act or under any other legislation enacted after the date of the enactment of this Act containing standards for designation as a redevelopment area generally comparable to those set forth in section 5 of the Area Redevelopment Act).

(c) No grant shall be made under this section for any project unless the Administrator determines that the project will provide a neighborhood facility which is (1) necessary for carrying out a program of health, recreational, social, or similar community service (including a community action program approved under title II of the Economic Opportunity Act of 1964) in the area, (2) consistent with comprehensive planning for the development of the community, and (3) so located as to be available for use by a significant portion (or number in the case of large urban places) of the area's low- or moderate-income residents.

(d) For a period of twenty years after a grant has been made under this section for a neighborhood facility, such facility shall not, without the approval of the Administrator, be converted to uses other than those proposed by the applicant in its application for the grant. The Administrator shall not approve any conversion in the use of such a neighborhood facility during such twenty-year period unless he finds that such conversion is in accord with the then applicable program of health, recreational, social, or similar community services in the area and consistent with comprehensive planning for the development of the community in which the facility is located. In approving any such conversion, the Administrator may impose such additional conditions and requirements as he deems necessary.

(e) The Administrator shall give priority to applications for projects designed primarily to benefit members of low-income families or otherwise substantially further the objectives of a community action program approved under title II of the Economic Opportunity Act of 1964.

General provisions

SEC. 604. (a) In the performance of, and with respect to, the functions, powers, and duties vested in him by this title, the Administrator shall (in addition to any authority otherwise vested in him) have the

functions, powers, and duties set forth in section 402, except subsections (a), (c) (2), and (f) of the Housing Act of 1950.

(b) The Administrator is authorized, notwithstanding the provisions of section 3648 of the Revised Statutes, to make advance or progress payments on account of any grant made pursuant to this title. No part of any grant authorized to be made by the provisions of this title shall be used for the payment of ordinary governmental operating expenses.

Definitions

SEC. 605. As used in this title—

(a) The term "State" means the several States, the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States.

(b) The term "local public bodies and agencies" includes public corporate bodies and political subdivisions; public agencies or instrumentalities of one or more States, municipalities, or political subdivisions of one or more States (including public agencies and instrumentalities of one or more municipalities or other political subdivisions of one or more States); Indian tribes; and boards or commissions established under the laws of any State to finance specific capital improvement projects.

(c) The term "development cost", with respect to any facility, means costs of the construction of the facility and the land on which it is located, including necessary site improvements to permit its use as a site for the facility.

Labor standards

SEC. 606. All laborers and mechanics employed by contractors or subcontractors on projects assisted under sections 602 and 603 shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a—276a-5). No such project shall be approved without first obtaining adequate assurance that these labor standards will be maintained upon the construction work. The Secretary of Labor shall have, with respect to the labor standards specified in this section, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267; 5 U.S.C. 133z-15), and section 2 of the Act of June 13, 1934, as amended (48 Stat. 948; 40 U.S.C. 276c).

Appropriations; termination of program

SEC. 607. (a) There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this title. All funds so appropriated shall remain available until expended.

(b) No grant shall be made under this title after October 1, 1969, except pursuant to a contract or commitment entered into on or before such date.

TITLE VII—FEDERAL NATIONAL MORTGAGE

ASSOCIATION

Increase in FNMA special assistance authority

SEC. 701. (a) Section 305(c) of the National Housing Act is amended by inserting before the period at the end thereof the following: "which limit shall be increased by \$100,000,000 on the date of the enactment of the Housing and Urban Development Act of 1965, by \$450,000,000 on July 1, 1966, by \$550,000,000 on July 1, 1967, and by \$525,000,000 on July 1, 1968".

(b) Section 305(f) of such Act is amended by inserting before the period at the end thereof the following: "Provided further, That any portion of the total amount of authority set forth in the first proviso of this subsection which, on the date of the enactment of the Housing and Urban Development Act of 1965 and on each July 1 thereafter, would otherwise be available for

making purchases and commitments pursuant to this subsection, shall be transferred to and merged with the authority granted by subsection (a) and added to the amount of such authority as set forth in subsection (c); and the total amount of authority set forth in the first proviso of this subsection shall progressively be reduced by the amount of each such transfer".

Increase in limitation on mortgages for dwelling units having four or more bedrooms

SEC. 702. Section 302(b) of the National Housing Act is amended by inserting before the period at the end of the first sentence the following: "(plus an additional \$2,500 for each such family residence or dwelling unit which has four or more bedrooms)"

TITLE VII—OPEN-SPACE LAND AND URBAN BEAUTIFICATION AND IMPROVEMENT

Change in name of program; findings and purpose

SEC. 801. (a) The heading of title VII of the Housing Act of 1961 is amended to read as follows: "TITLE VII—OPEN-SPACE LAND AND URBAN BEAUTIFICATION AND IMPROVEMENT".

(b) Section 701 of such Act is amended by redesignating subsection (b) as subsection (c) and by inserting after subsection (a) the following new subsection:

"(b) The Congress further finds that there is an urgent need both for the additional provision of parks and other open-space areas in the developed portions of the Nation's urban areas and for greater and better coordinated local efforts to beautify and improve open space and other public land throughout urban areas, to facilitate their increased use and enjoyment by the Nation's urban population."

(c) The subsection of section 701 of such Act redesignated as subsection (c) by subsection (b) of this section is amended—

(1) by inserting "(1) provide and" before "preserve open-space land", and

(2) by inserting before the period at the end thereof the following: ", and (2) beautify and improve open-space and other public urban land, in accordance with programs to encourage and coordinate local public and private efforts toward this end".

Increased grant level for preservation of open-space land

SEC. 802. Section 702(a) of the Housing Act of 1961 is amended by striking out "20 per centum" and "30 per centum" and inserting in lieu thereof "30 per centum" and "40 per centum", respectively.

Substitution of appropriation authority for grant contract authority

SEC. 803. (a) Section 702(a) of the Housing Act of 1961 is amended—

(1) by striking out "enter into contracts to" in the first sentence, and

(2) by striking out all of the third sentence.

(b) Section 702(b) of such Act is amended by striking out the first two sentences and inserting in lieu thereof the following: "There are hereby authorized to be appropriated such amounts as may be necessary to carry out the purposes of this title."

(c) Section 702 of such Act is further amended by adding at the end thereof the following new subsection:

"(f) No grant shall be made under this title after October 1, 1969, except pursuant to a contract or commitment entered into on or before such date."

(d) Section 703(a) of such Act is amended by striking out "enter into contracts to".

Grants for provision of open-space land in built-up urban areas

SEC. 804. Title VII of the Housing Act of 1961 is amended by redesignating sections 705 and 706 as sections 708 and 709 respec-

tively, and by inserting after section 704 the following new section:

"Grants for provision of open-space land in built-up urban areas"

"SEC. 705. (a) The Administrator is further authorized to make grants to States and local public bodies to help finance the acquisition of title to, or other permanent interests in, developed land in built-up portions of urban areas to be cleared and used as permanent open-space land, as defined herein. The Administrator shall make such grants only where the local governing body determines that adequate open-space land cannot effectively be provided through the use of existing undeveloped or predominantly undeveloped land and the Administrator determines that the proposed acquisition is important to the comprehensively planned development of the locality. Grants under this section shall not exceed the lesser of (1) \$500,000 or (2) 40 per centum of the cost of acquiring such title or other interests and of necessary demolition and removal of improvements.

"(b) Financial assistance extended to any project under this title may include grants for relocation payments, as herein defined. Such grants may be in addition to other financial assistance under this title, and no part of the amount of such relocation payments shall be required to be contributed as a local grant. The term 'relocation payments' means payments by the applicant which are (1) made to an individual, family, business concern, or nonprofit organization displaced, after March 4, 1965, by a project assisted under this title, (2) not otherwise authorized under any Federal law, and (3) made only on such terms and conditions and subject to such limitations (to the extent applicable, but not including the date of displacement) as are provided for relocation payments, at the time such payments are approved, by sections 114 (b), (c), and (d) of the Housing Act of 1949. Relocation payments authorized by this subsection shall be made subject to such rules and regulations as may be prescribed by the Administrator."

Grants for urban beautification and improvement

SEC. 850. (a) Title VII of the Housing Act of 1961 is further amended by inserting after section 705 (as added by section 804 of this Act) the following new section:

"Grants for urban beautification and improvement"

"SEC. 706. The Administrator is authorized to make grants, as herein provided, to States and local public bodies to assist in carrying out local programs for the greater use and enjoyment of open-space and other public land in urban areas. The Administrator shall establish criteria for such programs to assure that each (1) represents significant and effective efforts, involving all available public and private resources, for the beautification of such land and its improvement for open-space uses, and (2) is important to the comprehensively planned development of the locality. Grants made under this section shall not exceed 40 per centum of the amount by which the cost of the activities carried on by an applicant during a fiscal year under an approved program exceeds its usual expenditures for comparable activities: *Provided*, That, notwithstanding any other provision of this section, the Administrator may use not to exceed \$5,000,000 of the funds available for grants under this section to make grants in amounts up to the full cost of activities which he determines to have special value in developing and demonstrating new and improved methods and materials for use in carrying out the purposes of this section."

(b) Section 702(c) of such Act is amended by inserting after "development costs" the

following: "(except as authorized under section 706), or the additional price which is attributable to improvements to be retained on open-space land which are not incidental to the proposed open-space uses."

Labor standards

SEC. 806. Title VII of the Housing Act of 1961 is further amended by inserting after section 706 (as added by section 805 of this Act) the following new section:

"Labor standards"

"SEC. 707. (a) The Administrator shall take such action as may be necessary to insure that all laborers and mechanics employed by contractors or subcontractors in the performance of construction work financed with the assistance of grants under this title shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended. The Administrator shall not approve any such grant without first obtaining adequate assurance that these labor standards will be maintained upon the construction work.

"(b) The Secretary of Labor shall have, with respect to the labor standards specified in subsection (a), the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267; 5 U.S.C. 133z-15), and section 2 of the Act of June 13, 1934, as amended (48 Stat. 948; 40 U.S.C. 276c)."

Use of funds for studies and publication

SEC. 807. The second sentence of the section of the Housing Act of 1961 redesignated as section 708 by section 804 of this Act is amended to read as follows: "The Administrator is authorized to use during any fiscal year not to exceed \$100,000 of the funds available for grants under this title to undertake such studies and publish such information."

Conforming amendments

SEC. 808. (a) The heading of section 702 of the Housing Act of 1961 is amended to read as follows: "GRANTS FOR PRESERVATION OF OPEN-SPACE LAND".

(b) Section 702(a) of such Act is amended by striking out "provisions of this title" and "purposes of this title" and inserting in lieu thereof "provisions of this section" and "purposes of this section", respectively.

(c) Section 702(e) of such Act is amended by striking out "served by the open-space land acquired" in the second sentence and inserting in lieu thereof "assisted".

(d) Section 703(a) of such Act is amended by striking out "this title" and inserting in lieu thereof "section 702(a)".

(e) Section 704 of such Act is amended by striking out "for which" in the first sentence and inserting in lieu thereof "for the acquisition of which".

TITLE IX—RURAL HOUSING

Loans for previously occupied buildings and minimum site acquisition

SEC. 901. (a) Section 501(a) of the Housing Act of 1949 is amended—

(1) by inserting after "their farms," in clause (1) the following: "and to purchase previously occupied buildings and land constituting a minimum adequate site, in order"; and

(2) by inserting after "rural areas" in clause (2) the following: "for the construction, improvement, alteration, or repair of dwellings, related facilities, and farm buildings and to rural residents for such purposes and for the purchase of previously occupied buildings and the purchase of land constituting a minimum adequate site, in order".

(b) Section 501(c) of such Act is amended by inserting "or a rural resident" in clause (1) after "or that he is the owner of other real estate in a rural area."

Interest rate on direct rural housing loans

SEC. 902. Section 502(a) of the Housing Act of 1949 is amended by striking out "with interest at a rate not to exceed 4 per centum per annum on the unpaid balance of principal." and inserting in lieu thereof the following: "with interest in the case of loans under this section pursuant to clauses (1) and (2) of section 501(a) at a rate not to exceed 5 per centum per annum on the unpaid balance of principal and in the case of loans under this section pursuant to clause (3) of section 501(a) and under sections 503 and 504 at a rate not to exceed 4 per centum per annum on such unpaid balance. Borrowers with loans made or insured under this title shall pay such fees and other charges as the Secretary may require."

Insured rural housing loans

SEC. 903. (a) Title V of the Housing Act of 1949 is amended by adding at the end thereof the following new sections:

"Insurance of loans

"SEC. 517. (a) The Secretary is authorized to insure and to make loans to be sold and insured in accordance with the provisions of sections 501, 502, 514, and 515, and this section, other than the provisions of section 514(a) (3) and (5) and (b) and section 515 (a) and (b) (4), except that such loans in accordance with sections 501 and 502—

"(1) to persons of low or moderate income as defined by the Secretary shall not exceed amounts necessary to provide adequate housing modest in size, design, and cost, as determined by the Secretary, and shall bear interest at a rate not to exceed 5 per centum per annum; and the aggregate of such loans made and insured in any one fiscal year shall not exceed \$300,000,000; and

"(2) to persons other than those of low or moderate income shall bear interest and provide for insurance or service charges (at rates determined by the Secretary) comparable to the combined rate of interest and premium charges then in effect under section 203 of the National Housing Act.

"(b) The Secretary may use the Rural Housing Insurance Fund created by this section for the purpose of making loans to be sold and insured under this section, provided that the aggregate of such loans made and not disposed of at any one time shall not exceed \$100,000,000.

"(c) The Secretary may insure loans advanced by lenders other than the United States, and may sell and insure loans made from or held in the Rural Housing Insurance Fund by the Secretary, for the payment of principal and interest thereon as it becomes due. The Secretary is authorized to make agreements with respect to servicing loans held by or insured by the Secretary under this section and purchasing such insured loans on such terms and conditions as he may prescribe: *Provided*, That no purchase agreement shall obligate the Secretary to purchase such an insured loan before the expiration of an initial period of five years from the date of the note. Any contract of insurance executed by the Secretary shall be an obligation supported by the full faith and credit of the United States and incontestable except for fraud or material misrepresentation of which the holder has actual knowledge. In connection with loans insured under this section the Secretary may take liens running to the United States notwithstanding the fact that the notes evidencing such loans may be held by lenders other than the United States. Notes evidencing such loans shall be freely assignable but the Secretary shall not be bound by any assignment until notice thereof is given to and acknowledged by the Secretary.

"(d) After ninety days after the original capitalization of the Rural Housing Insurance Fund, no loans, other than loans then held or insured by the Secretary pursuant to

section 514 or 515(b), shall be made or insured under section 514 or 515(b) except in accordance with this section.

"(e) There is hereby created the Rural Housing Insurance Fund (hereinafter in this section referred to as the 'Fund') which shall be used by the Secretary as a revolving fund for carrying out the provisions of this section. There are authorized to be appropriated to the Secretary such sums as may be necessary for the purposes of the Fund.

"(f) Money in the Fund not needed for current operations shall be invested in direct obligations of the United States or obligations guaranteed by the United States.

"(g) All funds, claims, notes, mortgages, contracts, and property acquired by the Secretary under this section, and all collections and proceeds therefrom, shall constitute assets of the Fund; and all liabilities and obligations of such assets shall be liabilities and obligations of the Fund. Loans may be held in the Fund and collected in accordance with their terms or may be sold by the Secretary with or without agreements for insurance thereof. Loans may be sold by the Secretary at prices within the range of market prices for the particular class or classes of loans involved, as determined by the Secretary from time to time. The aggregate of (1) any amount by which the balance outstanding on loans at the time of sale exceeds the price at which the loans are sold and (2) the amount of any fees and charges paid in connection with any sales of loans shall be reimbursed to the Fund by annual appropriations.

"(h) The Secretary is authorized to issue notes to the Secretary of the Treasury to obtain funds necessary for discharging obligations under this section and for authorized expenditures out of the Fund, but, except as may be authorized in appropriation Acts, not for the original capital or any additional capital of the Fund or to reimburse the Fund for losses from any sales of loans at less than par value. Such notes shall be in such form and denominations and have such maturities and be subject to such terms and conditions as may be prescribed by the Secretary with the approval of the Secretary of the Treasury. Each note shall bear interest at such rate as may be determined by the Secretary of the Treasury, taking into consideration the current average market yields on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturities of the loans held by the Secretary in the Fund, adjusted to the nearest one-eighth of 1 per centum, during the month of June preceding the fiscal year in which the loans were made. The Secretary of the Treasury is authorized and directed to purchase any notes of the Secretary issued hereunder, and for that purpose the Secretary of the Treasury is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, and the purposes for which such securities may be issued under such Act are extended to include purchases of notes issued by the Secretary under this subsection. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes shall be treated as public debt transactions of the United States. The notes issued by the Secretary to the Secretary of the Treasury shall constitute obligations of the Fund.

"(i) The Secretary may retain out of interest payments by the borrower an annual charge in an amount specified in the insurance or sale agreement applicable to the loan. Of the charges retained by the Secretary, if any, not to exceed 1 per centum per annum of the unpaid balance of the loan shall be deposited in the Fund. Any retained charges not deposited in the Fund shall be available for administrative expenses in carrying out the provisions of this

title, to be transferred annually and become merged with any appropriation for administrative expenses of the Farmers Home Administration, when and in such amounts as may be authorized in appropriation Acts.

"(j) The Secretary may also utilize the Fund—

"(1) to pay amounts to which the holder of a note is entitled in accordance with an insurance or sale agreement under this section accruing between the date of any prepayment by the borrower to the Secretary and the date of transmittal of such prepayment to the holder of the note; and, in the discretion of the Secretary, prepayments other than final payments need not be remitted to the holder until due;

"(2) to pay the holder of any note insured under this section any defaulted installment or, upon assignment of the note to the Secretary at the Secretary's request, the entire balance outstanding on the note;

"(3) to purchase notes in accordance with agreements previously entered into;

"(4) to pay taxes, insurance, prior liens, expenses necessary to make fiscal adjustments in connection with the application and transmittal of collections, and other expenses and advances to protect the security for loans which are insured under this section or held in the Fund, and to acquire such security at foreclosure sale or otherwise; and

"(5) to pay fees and charges in connection with sales by the Secretary of loans insured under this section.

"Rural housing direct loan account

"SEC. 518. (a) There is hereby created the Rural Housing Direct Loan Account (hereinafter in this section referred to as the 'Account') which shall be used by the Secretary for carrying out the provisions of this section. There are authorized to be appropriated to the Secretary such sums as may be necessary for the purposes of the Account.

"(b) There are hereby transferred to the Account (1) all funds, claims, notes, mortgages, contracts, and property, and all collections and proceeds therefrom, held by the Secretary under the direct loan provisions of this title, including those securing notes issued by the Secretary to the Secretary of the Treasury under section 511 and any unexpended balance of amounts borrowed upon such notes, and (2) all unexpended balances of appropriations for direct loans under this title, including the fund authorized by section 515(a). All amounts hereafter borrowed by the Secretary from the Secretary of the Treasury under section 511 shall be deposited in the Account. All collections and proceeds from assets acquired by the Account shall be deposited in the Account.

"(c) When and in such amounts as may be authorized in appropriation Acts, the Secretary may issue notes to the Secretary of the Treasury to obtain funds to be deposited in the Account. The form, denominations, maturities, and other terms and conditions of such notes shall be prescribed by the Secretary with the approval of the Secretary of the Treasury. Each note shall bear interest at such rate as may be determined by the Secretary of the Treasury, taking into consideration the current average market yields on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturities of the loans held by the Secretary in the Account, adjusted to the nearest one-eighth of 1 per centum, during the month of June preceding the fiscal year in which the loans were made. The Secretary of the Treasury is authorized and directed to purchase any notes of the Secretary issued hereunder, and for that purpose the Secretary of the Treasury is authorized to use as a public debt transaction the proceeds from the sale of any securities issued

under the Second Liberty Bond Act, and the purposes for which such securities may be issued under such Act are extended to include the purchase of notes issued by the Secretary under this subsection. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes shall be treated as public debt transactions of the United States.

"(d) The Account shall remain available to the Secretary for the payment of interest and principal on notes issued by the Secretary to the Secretary of the Treasury under section 511 or this section, and for direct loans and related advances under this title in such amounts as are now authorized by law and in such further amounts as shall be authorized in appropriation Acts. Amounts so authorized for such loans and advances shall remain available until expended."

(b) Section 511 of such Act is amended—
(1) by inserting "direct" after "making", and by striking out "(other than loans under section 504(b) or 515(a))", in the first sentence;

(2) by striking out "of which \$50,000,000 shall be available exclusively for assistance to elderly persons as provided in clause (3) of section 501(a)", and by striking out "September 30, 1965" and inserting in lieu thereof "October 1, 1969", in the second sentence; and

(3) by striking out "rate on outstanding marketable obligations of the United States as of the last day of the month preceding the issuance of the notes or obligations by the Secretary" in the fifth sentence and inserting in lieu thereof the following: "yields on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturities of the loans held by the Secretary in the Rural Housing Direct Loan Account, adjusted to the nearest one-eighth of 1 per centum, during the month of June preceding the fiscal year in which the loans were made".

Federal National Mortgage Association secondary market operations for insured rural housing loans

Sec. 904. (a) Section 302(b) of the National Housing Act is amended—

(1) by inserting immediately after "which are insured under the National Housing Act" the following: "or title V of the Housing Act of 1949";

(2) by inserting after "any mortgage" in clause (2) of the proviso the following: ", except a mortgage insured under title V of the Housing Act of 1949"; and

(3) by inserting before the period in the last sentence the following: "or title V of the Housing Act of 1949".

(b) Section 303(b) of such Act is amended by inserting "and other" after "private" in the first sentence.

Extension of rural housing authorizations

Sec. 905. (a) Section 512 of the Housing Act of 1949 is amended by striking out "September 30, 1965" and inserting in lieu thereof "October 1, 1969".

(b) Section 513 of such Act is amended—
(1) by striking out "September 30, 1965" in clause (b) and inserting in lieu thereof "October 1, 1969";

(2) by striking out "\$10,000,000" in clause (c) and inserting in lieu thereof "\$50,000,000", and by striking out "September 30, 1965" in the same clause and inserting in lieu thereof "October 1, 1969"; and

(3) by striking out "September 30, 1965" in clause (d) and inserting in lieu thereof "October 1, 1969".

(c) Section 515(b)(5) of such Act is amended by striking out "September 30, 1965" and inserting in lieu thereof "October 1, 1969".

(d) Section 506(a) of such Act is amended by striking out "sections 501 to 504, inclusive, and sections 514-516", each place it occurs and inserting in lieu thereof "this title".

Payment of interest to the Treasury on appropriations for rural housing loans

Sec. 906. Title V of the Housing Act of 1949 is amended by adding at the end thereof (after the new sections added by section 903 of this Act) the following new section:

"Interest on appropriations for rural housing loans"

"Sec. 519. (a) The Secretary shall pay to the Secretary of the Treasury interest at a rate determined under the formula contained in section 517(h) or 518(c) (as may be applicable) on any portion of any future appropriations deposited in the Rural Housing Insurance Fund or the Rural Housing Direct Loan Account for the purpose of making loans (as distinguished from appropriations for the purpose of restoring losses or expenditures from such Fund or Account). Such interest shall be payable annually upon any sum so deposited until an amount equal to such sum is paid from the Fund or Account to which it was deposited and returned to miscellaneous receipts of the Treasury.

"(b) Any sums in the Rural Housing Insurance Fund or the Rural Housing Direct Loan Account which the Secretary determines are in excess of amounts needed to meet the obligations and carry out the purposes of such Fund or Account shall be returned to miscellaneous receipts of the Treasury."

TITLE X—MISCELLANEOUS

Authorization for urban planning grants

Sec. 1001. (a) Section 701(b) of the Housing Act of 1954 is amended by striking out "not exceeding \$105,000,000" in the fifth sentence and inserting in lieu thereof "such amounts as may be necessary".

(b) Section 701 of such Act is further amended by adding at the end thereof the following new subsection:

"(g) No grant shall be made under this section after October 1, 1969, except pursuant to a contract or commitment entered into on or before such date."

Authorization for Federal-State training programs

Sec. 1002. (a) Section 802(d) of the Housing Act of 1964 is amended (1) by striking out "for grants under this part", and (2) by striking out "not to exceed \$10,000,000" and inserting in lieu thereof "such amounts as may be necessary to carry out the purposes of this part".

(b) Section 802 of such Act is further amended by adding at the end thereof the following new subsection:

"(e) No grant shall be made under this part after October 1, 1969, except pursuant to a contract or commitment entered into on or before such date."

(c) Section 803 of such Act is amended (1) by striking out "authorized to be", and (2) by striking out "by section 802(d)" and inserting in lieu thereof "for the purposes of this part".

Authorization for Public Works Planning Advances

Sec. 1003. (a) The second sentence of section 702(e) of the Housing Act of 1954 is amended (1) by striking out "Housing Act of 1964" and inserting in lieu thereof "Housing and Urban Development Act of 1965", and (2) by striking out "not to exceed \$20,000,000".

(b) Section 702 of such Act is further amended by adding at the end thereof the following new subsection:

"(i) No advance shall be made under this section after October 1, 1969, except pursu-

ant to a contract or commitment entered into on or before such date."

Advisory committees—technical provision

Sec. 1004. Section 601 of the Housing Act of 1949 is amended by striking out the second sentence.

Public facility loans to nonprofit corporations

Sec. 1005. Section 202(c) of the Housing Amendments of 1955 is amended by adding at the end thereof the following new sentence: "Notwithstanding any other provision of this title, the Administrator may extend financial assistance, as otherwise authorized by clause (1) of subsection (a) of this section, to private nonprofit corporations to finance the construction of works for the storage, treatment, purification, or distribution of water or the construction of sewage, sewage treatment, and sewer facilities, if needed to serve such smaller municipalities, upon a determination that no existing public body is able to construct and operate such facilities."

FHA conforming amendments

Sec. 1006. (a) Section 2(f) of the National Housing Act is amended by striking out all that follows the first sentence.

(b) Section 8 of such Act is amended—

(1) by striking out "Title I Housing Insurance Fund" in subsection (g) and inserting in lieu thereof "General Insurance Fund"; and

(2) by striking out subsections (h) and (i).

(c) Section 203(k) of such Act is amended—

(1) by striking out "a separate section 208 Home Improvement Account to be maintained as hereinafter provided under the Mutual Mortgage Insurance Fund" in clause (3) of the first sentence and inserting in lieu thereof "the General Insurance Fund";

(2) by striking out "the section 203 Home Improvement Account or in debentures executed in the name of such Account" in clause (4) of the first sentence and inserting in lieu thereof "the General Insurance Fund or in debentures executed in the name of such Fund";

(3) by striking out all of the third sentence which follows "refer to this section 203(k)" and inserting in lieu thereof a period; and

(4) by striking out the fourth, fifth, and sixth sentences.

(d) Section 204 of such Act is amended—

(1) by striking out "or section 210" in the first sentence of subsection (a);

(2) by striking out all of the second sentence of subsection (c) after "the mortgagee" and inserting in lieu thereof "from the Mutual Mortgage Insurance Fund";

(3) by striking out all of the first sentence of subsection (d) after "shall be negotiable" the first place it appears and inserting in lieu thereof a period;

(4) by striking out "the Fund" each place it appears in subsection (d) and inserting in lieu thereof "the Mutual Mortgage Insurance Fund";

(5) by striking out "or the Housing Fund, as the case may be," in the fifth sentence of subsection (d);

(6) by striking out "or the Housing Fund" in the sixth sentence of subsection (d); and

(7) by striking out the matter in subsection (f) (1) (i) which follows "section 203" and precedes the colon.

(e) Section 207 of such Act is amended—

(1) by striking out "and section 210" in the first sentence of subsection (d);

(2) by striking out "of the Housing Insurance Fund issued by the Commissioner under this title" in the first sentence of subsection (d) and inserting in lieu thereof the following: "issued by the Commissioner under any title and section of this Act, except

debentures of the Mutual Mortgage Insurance Fund";

(3) by striking out subsections (f), (m), and (p); and

(4) by striking out "the Housing Insurance Fund" and "the Housing Fund" each place they appear in subsections (b), (h), (i), (j), (k), and (l) and inserting in lieu thereof "the General Insurance Fund".

(f) Section 209 of such Act is amended by striking out "or account or accounts," in the second sentence.

(g) Section 213 of such Act is amended—

(1) by striking out "the Housing Fund" in subsection (a)(3) and inserting in lieu thereof "the General Insurance Fund"; and

(2) by striking out "(l), (m), (n), and (p)" in subsection (e) and inserting in lieu thereof "(l), and (n)".

(h) Section 220 of such Act is amended—

(1) by striking out "the section 220 Housing Insurance Fund" each place it appears in subsections (d)(2) and (f) and inserting in lieu thereof "the General Insurance Fund";

(2) by inserting "and" immediately before "(B)" in the second full sentence in subsection (f)(3), and by striking out ", and (C)" and all that follows in such sentence and inserting in lieu thereof a period;

(3) by striking out subsections (g) and (h)(4); and

(4) by striking out "the section 220 Home Improvement Account" each place it appears in subsections (h)(5) and (h)(7) and inserting in lieu thereof "the General Insurance Fund".

(i) Section 221 of such Act is amended—

(1) by striking out "the section 221 Housing Insurance Fund" each place it appears in subsections (d)(4), (f), (g)(1), and (g)(3) and inserting in lieu thereof "the General Insurance Fund";

(2) by striking out all of subsection (g)(2) after "mortgages insured under this section" and inserting in lieu thereof "; or";

(3) by inserting "and" immediately before "(B)" in the first full sentence in subsection (g)(3), and by striking out ", and (C)" and all that follows in such sentence and inserting in lieu thereof a period; and

(4) by striking out subsection (h).

(j) Section 222 of such Act is amended—

(1) by striking out "Servicemen's Mortgage Insurance Fund" in subsection (e) and inserting in lieu thereof "General Insurance Fund"; and

(2) by striking out subsection (f).

(k) Section 229 of such Act is amended by striking out "and Accounts" in the first sentence.

(l) Section 231 of such Act is amended—

(1) by striking out "the section 207 Housing Insurance Fund" in subsection (c)(4) and inserting in lieu thereof "the General Insurance Fund"; and

(2) by striking out "(f), (g), (h), (i), (j), (k), (l), (m), (n), and (p)" in subsection (e) and inserting in lieu thereof "(g), (h), (i), (j), (k), (l), and (n)".

(m) Section 232 of such Act is amended—

(1) by striking out "the section 207 Housing Insurance Fund" in subsection (d)(1) and inserting in lieu thereof "the General Insurance Fund"; and

(2) by striking out "(f), (g), (h), (i), (j), (k), (l), (m), (n), and (p)" in subsection (f) and inserting in lieu thereof "(g), (h), (i), (j), (k), (l), and (n)".

(n) Section 233 of such Act is amended—

(1) by striking out "the Experimental Housing Insurance Fund" in clause (1) of the third sentence of subsection (f) and inserting in lieu thereof "the General Insurance Fund";

(2) by inserting "and" immediately before "(2)" in the third sentence of subsection (f), and by striking out ", and (3)" and all that follows and inserting in lieu thereof a period; and

(3) by striking out subsection (g).

(o) Section 234 of such Act is amended—

(1) by striking out "the Apartment Unit Insurance Fund" in subsections (d)(2) and (g) and inserting in lieu thereof "the General Insurance Fund";

(2) by striking out subsection (h) and inserting in lieu thereof the following:

"(h) The provisions of subsections (d), (e), (g), (h), (i), (j), (k), (l), and (n) of section 207 shall be applicable to mortgages insured under subsection (d) of this section."; and

(3) by striking out subsection (i) and redesignating subsection (j) as subsection (i).

(p) Section 604 of such Act is amended by striking out "the War Housing Insurance Fund" each place it appears in subsections (c), (d) and (f)(1)(i) and inserting in lieu thereof "the General Insurance Fund".

(q) Section 608 of such Act is amended—

(1) by striking out "the War Housing Insurance Fund" each place it appears in subsections (b)(1) and (d) and inserting in lieu thereof "the General Insurance Fund"; and

(2) by striking out subsection (f) and inserting in lieu thereof the following:

"(f) The provisions of section 207(k) of this Act shall be applicable to mortgages insured under this section, except that, as applied to such mortgages, the reference therein to subsection (g) shall be construed to refer to subsection (c) of this section."

(r) The first sentence of section 609(f) of such Act is amended by striking out clause (1) and redesignating clauses (2), (3), and (4) as clauses (1), (2), and (3), respectively.

(s) Section 707 of such Act is amended by striking out "the Housing Investment Insurance Fund" and inserting in lieu thereof "the General Insurance Fund".

(t) Section 708 of such Act is amended by striking out "the Housing Investment Insurance Fund" each place it appears in subsections (c), (e), (g), and (h) and inserting in lieu thereof "the General Insurance Fund".

(u) Section 803 of such Act is amended—

(1) by striking out "the Armed Services Housing Mortgage Insurance Fund" each place it appears in subsections (b)(1), (b)(2), (e), (f), and (g) and inserting in lieu thereof "the General Insurance Fund"; and

(2) by striking out subsection (h) and inserting in lieu thereof the following:

"(h) The provisions of section 207(k) and section 207(l) of this Act shall be applicable to mortgages insured under this title and to property acquired by the Commissioner hereunder, except that, as applied to such mortgages and property, the reference in section 207(k) to subsection (g) shall be construed to refer to subsection (d) of this section."

(v) Section 809 of such Act is amended by striking out "the Armed Services Housing Mortgage Insurance Fund" each place it appears in subsections (b), (e), and (g) and inserting in lieu thereof "the General Insurance Fund".

(w) Section 810 of such Act is amended—

(1) by striking out "the Armed Services Housing Mortgage Insurance Fund" in subsection (e) and inserting in lieu thereof "the General Insurance Fund";

(2) by striking out "(l), (m), (n), and (p)" in subsection (j) and inserting in lieu thereof "(l), and (n)"; and

(3) by striking out the proviso in subsection (j) and inserting in lieu thereof the following: "Provided, That wherever the words 'Fund' or 'Mutual Mortgage Insurance Fund' appear in section 204, such reference shall refer to the General Insurance Fund with respect to mortgages insured under this section".

(x) Section 903 of such Act is amended by striking out "the National Defense Housing Insurance Fund" each place it appears in subsection (a) and inserting in lieu thereof "the General Insurance Fund".

(y) Section 904 of such Act is amended—

(1) by striking out "the National Defense Housing Insurance Fund" each place it appears in subsections (c) and (d) and inserting in lieu thereof "the General Insurance Fund"; and

(2) by striking out all of subsection (e) which follows "of this Act" and inserting in lieu thereof a period.

(z) Section 908 of such Act is amended—

(1) by striking out "the National Defense Housing Insurance Fund" in subsection (b) and inserting in lieu thereof "the General Insurance Fund";

(2) by striking out all of subsection (d) which follows "of this Act" and inserting in lieu thereof a period; and

(3) by striking out subsection (f) and inserting in lieu thereof the following:

"(f) The provisions of section 207(k) and section 207(l) of this Act shall be applicable to mortgages insured under this section and to property acquired by the Commissioner hereunder, except that, as applied to such mortgages and property, the reference therein to subsection (g) shall be construed to refer to subsection (c) of this section."

(aa) Sections 219, 602, 605, 710, 802, 804, 902, and 905 of such Act are repealed.

Savings and loan associations

SEC. 1007. Section 5(c) of the Home Owners' Loan Act of 1933 is amended—

(1) by adding at the end of the first paragraph the following new sentence: "Loans on the security of buildings substantially all of which are used or are to be used after completion for college dormitories, fraternity houses, or sorority houses, or for residential purposes by the staffs of community hospitals, shall be considered as loans on 'other dwelling units' for the purposes of this subsection.";

(2) by inserting before the period at the end of the next to last paragraph (as determined without regard to the new paragraphs added by this Act) the following: "Provided, That in any State or area within a State where the Board shall find that a substantial part of the land occupied by or suitable for residential structures is available for purchase only on a leasehold basis, any such association may make a loan on the security of a first lien on the remainder of the term of any such leasehold which extends or is renewable for at least ten years beyond the maturity of such loan"; and

(3) by adding at the end thereof (after the new paragraph added by section 201(b)(3) of this Act) the following new paragraph:

"Any building association, building and loan association, or savings and loan association organized and operating under the laws of the District of Columbia shall have the same powers with respect to the investment of its assets as are authorized for Federal savings and loan associations under this subsection, and shall be governed by such regulations as the Board may prescribe in relation to the exercise of such powers by Federal savings and loan associations."

Urban renewal project in Johnson City, Tennessee

SEC. 1008. Notwithstanding the date of commencement of the installation of certain underground electrical wiring in Johnson City, Tennessee, expenditures made in connection with such installation shall, to the extent otherwise eligible, be counted as a local grant-in-aid to Johnson City's proposed downtown urban renewal project (Tennessee R-80) in accordance with the provisions of title I of the Housing Act of 1949.

Repayment of certain planning grants

SEC. 1009. Notwithstanding any other provision of law, no advance made under section 501 of Public Law 458, Seventy-eighth Congress; Public Law 352, Eighty-first Congress; or section 702, Housing Act of 1954, Public Law 560, Eighty-third Congress, for the planning of any public works project shall be required to be repaid if construction of such project has been heretofore or is hereafter initiated as a result of a grant-in-aid made from an allocation made by the President under the Public Works Acceleration Act.

Mr. PATMAN (interrupting the reading of the bill). Mr. Chairman, I ask unanimous consent that the bill be considered as read and open for amendment at any point.

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

There was no objection.

AMENDMENT OFFERED BY MR. FARBSTEIN

Mr. FARBSTEIN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FARBSTEIN: Page 53, after line 11, add the following new section:

"REQUIREMENT OF LOW- AND MIDDLE-INCOME HOUSING IN REDEVELOPMENT OF URBAN RENEWAL AREAS

"SEC. 308. (a) Section 105(b) of the Housing Act of 1949 is amended by striking out 'and (iii)' and inserting in lieu thereof the following: '(iii) to give satisfactory assurances that any rental housing or cooperative housing which may be constructed on such property in the redevelopment of the area will be designed for occupancy by persons from the low- and middle-income segments of the population (as determined by the local public agency), and that the rentals (or, in the case of cooperative housing, the purchase price) to be established for living accommodations in such housing will not exceed the level (as determined by such agency) which such persons can reasonably be expected to pay; and (iv)'.

"(b) Paragraph (4) of section 110(c) of such Act is amended by striking out 'for uses in accordance with the urban renewal plan' and inserting in lieu thereof 'for uses in accordance with (A) the urban renewal plan, and (B) the applicable contract made with the local public agency as provided in section 105'.

"(c) The amendments made by this section shall apply only with respect to contracts for loan or capital grant entered into under title I of the Housing Act of 1949 on or after the date of the enactment of this Act; except that such amendments shall not apply in the case of any developer who has made a proposal to or has entered into negotiations or discussions with the local public agency involved, prior to the date of the enactment of this Act, with respect to the possible development by him within the urban renewal area of housing other than housing described in clause (iii) of section 105(b) of the Housing Act of 1949 as amended by subsection (a) of this section."

And redesignate the succeeding sections accordingly.

Mr. FARBSTEIN. Mr. Chairman, this amendment would prohibit the Federal Government from providing any subsidy for the construction of luxury housing. The amendment would restrict all federally aided rental or cooperative housing in urban renewal projects to occupancy by middle- or low-income families, as determined by the local public agency.

The only exception I would make is that the applications of developers for Government loans or capital grants for the construction of urban renewal projects filed prior to the date of enactment of this act should not be barred from consideration.

This amendment which I have offered, Mr. Chairman, is designed to make available to the inhabitants of our cities more low- and middle-income housing. It is a simple matter of economics. Our resources permit only so much Federal aid to housing developers. And since our resources are limited, are we to permit Federal money to be squandered where it is not needed?

Mr. Chairman, I represent a heavily populated district in the very heart of New York City, and as a result no one is more painfully aware than I of the critical shortage of low- and middle-income housing in our urban areas today.

I emphasize low- and middle-income housing, Mr. Chairman, not luxury housing. In my home district, there are 68,000 families with incomes of less than \$6,000. There are 67,000 deteriorating or dilapidated housing units, and only 55.5 percent of the total housing stock is sound with all plumbing facilities. Of our existing housing stock, 172,000 units were built before 1940. And my district is not atypical, Mr. Chairman. It is, in fact, representative of many of the urban concentrations across our Nation. The problems of my constituents are identical with the problems of millions of people in Chicago, Philadelphia, Baltimore, and right here in the District of Columbia.

The people in my district do not want luxury housing, Mr. Chairman, and they cannot afford it. All they want is a decent place to live and bring up their children. If the Federal Government is to participate in the eradication of slums from our cities, it must provide alternative housing for the families which have been displaced. These families will not be able to afford to move into a luxury apartment building. Thus, they will have to live either in a reasonably priced attractive, modern, low- or middle-income housing development or else they will have to relocate into another miserable and degrading slum.

In other words, Mr. Chairman, any money this Congress permits to be spent on luxury housing developments is money wasted, money poured down the drain. We will have lined the pockets of the developers of luxury housing—they will have had Federal aid, and certainly they will have no shortage of tenants who can afford high rents in this booming economy of ours. But we will have betrayed the people of this Nation who desperately need housing. We will have played Robin Hood in reverse—taking from the poor to give to the rich. I hope my colleagues in this Chamber will see fit to incorporate my amendment to H.R. 7984, which would prevent this eventuality from occurring.

Now, Mr. Chairman, last year I offered the same amendment. The objection to the amendment at that time was that those people who had already filed applications would be precluded from the

benefits thereof. Well, Mr. Chairman, I added language today to the amendment to afford those who have already filed their applications for luxury housing to be permitted to be considered as valid. However, from now on, no Federal money or no taxpayer moneys should be used for the purpose of building luxury housing. I do not think it is right. I think all public moneys should be restricted to low- and middle-income housing.

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

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

Mr. ASHLEY. Is it not true that each local community and the local government of that community passes on the plans, the Federal urban renewal plan, and what is going to go into that urban renewal project? Is it not true that at the present time the people of the community are able to answer for themselves as to whether they want to go into an urban renewal project and what they want in that project?

Mr. FARBSTEIN. Well, let me tell the gentleman what has occurred in my district. Some years ago under an urban renewal project the Federal Government paid two-thirds of the cost and the municipality paid one-third and undertook a project to clean up some slums. Thereupon, the area was sold to a developer and that developer agreed, or it was so understood, that he would build medium-income houses.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. FARBSTEIN. Mr. Chairman, I ask unanimous consent to proceed for 1 additional minute.

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

There was no objection.

Mr. FARBSTEIN. What happened was that instead of building medium-income housing, they built luxury housing. That development is now known as the Washington Square development and you have to pay at least \$70 a room in order to secure an apartment there.

Mr. Chairman, I believe this is wrong and I do not think this should be permitted. I think it should be written into the law that no Federal moneys under urban renewal development can be used for anything except low- and medium-income housing.

Mr. Chairman, I hope this amendment will be adopted.

Mr. BARRETT. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I do want to say to the gentleman from New York that he works inexhaustibly for his constituents. I believe that fact has been demonstrated here this afternoon.

However well intentioned, this would be a highly destructive amendment and would strike a body blow to the urban renewal program. Low-cost housing must be built but not necessarily on extremely high-cost land. The local officials and local experts must have a free hand in determining the type of buildings which would be compatible to the urban renewal project.

On the subject I would like to quote from our distinguished former colleague, Robert Taft, Jr., who spoke on a similar amendment in last year's housing bill. He knows the urban renewal program well, both in Cincinnati and country-wide. He opposed the amendment as being impractical because it would call for, and I quote, "Radical changes in some plans already underway for urban renewal."

I hope the amendment will be defeated.

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

Mr. BARRETT. I would be glad to yield to the gentleman from New York.

Mr. FARBSTEIN. Let me remind the gentleman from Pennsylvania that I state in here, in talking about my amendment, that one of the objections raised was that there were those who had filed applications who would be excluded.

The former Member of this House whom you mentioned, the gentleman from Ohio [Mr. Taft], was the gentleman who raised that objection. However, I cover that very objection in my amendment when I say, "All those applications that have already been filed will not be restricted." They will be continued but from here on in there will not be any moneys provided for luxury housing.

Mr. BARRETT. Mr. Chairman, I do hope we can move along on this. There are Members on both sides of the aisle who have a very important engagement later this evening and therefore I ask for an immediate vote and hope this amendment is voted down.

Mr. RYAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman and Members of the Committee, we have heard a great deal of talk this afternoon particularly from the other side of the aisle about the subsidy of poor people in public housing. And there has been a great reluctance on the part of some Members to adopt a program of rent supplements.

This amendment is directed at subsidies which are intended for the rich. I would think anyone who opposes subsidies for the poor would certainly oppose subsidies for the rich. The use of title I funds for luxury housing is a question that has been before this House on previous occasions. It has been before the Subcommittee on Housing. It has been one of the fundamental questions involved in the application of urban renewal programs in every city in the country. For a number of years I have been concerned about the fact that luxury housing has been subsidized and that Congress has not insisted on limiting urban renewal write-downs to low- and middle-income housing.

There have been a whole series of programs in New York where the rents have been set at \$60, \$75, and, in one instance, as high as \$246 a room. Time and again high-cost housing has been constructed, displacing site tenants who cannot afford the rents in the new apartments. As long as there is a critical shortage of housing for low- and middle-income people, they must have priority.

Unfortunately, the bill only provides for 35,000 units a year of new public housing and with the 15-percent limitation which the Congress has not seen fit to remove, this means only 5,250 new units for the State of New York.

We should concentrate our attention, our energies, and our resources on the great need which we face in this country, and that is to build houses for the million and a half people in New York City and for some 6 million people in all parts of the country who are now living under substandard conditions.

When the Housing Act of 1961 was on the floor I offered an amendment at that time to prohibit the construction of luxury housing with urban renewal funds. I have testified before the subcommittee on this matter, and I have introduced legislation (H.R. 3964) to accomplish this purpose.

The argument that high-priced urban land should be used for luxury housing is simply wrong. It is necessary to provide houses for people who need them.

As a matter of public policy, we should make fundamentally clear the sense of the Congress, there shall be no further construction in any city in the country of high-priced housing under the title I program.

I urge that all Members support the pending amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. FARBSTEIN].

The amendment was rejected.

Mr. PATMAN. Mr. Chairman, I ask unanimous consent that all debate on the pending bill and all amendments thereto close at 4:40.

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

Mr. DOWDY. Mr. Chairman, I object.

Mr. PATMAN. Mr. Chairman, I move that all debate on the bill and all amendments thereto close at 4:45.

The motion was agreed to.

The CHAIRMAN. For what purpose does the gentleman from Ohio [Mr. ASHLEY], a member of the committee, rise?

AMENDMENT OFFERED BY MR. ASHLEY

Mr. ASHLEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ASHLEY: Page 65, strike out line 20, and all that follows down through page 66, line 8.

And redesignate the succeeding section accordingly.

Mr. ASHLEY. Mr. Chairman, the purpose of this amendment is to keep the college housing loan program as it is presently operating.

This program authorizes the HHFA to make loans to finance college dormitories and related facilities at an interest rate formula determined annually by the average market yield on all interest-bearing obligations of the United States, plus a quarter of 1 percent—the present rate being 3¼ percent. The program also requires that financing is not available from other sources on equally favorable terms.

The administration's housing bill called for \$300 million additional authority for these loans for each of the next 4 years but it did not request any change in the interest rate for these loans—that is to say, it did not request a reduction to the 3 percent which we find in the bill.

My reason for introducing this amendment is that the private investment market has supplied very substantial sums of money for college housing and would be precluded from doing so with the 3-percent rate.

College housing bonds sold on the private market in 1964 totaled over \$222 million and from February to May of 1965 the amount was almost \$100 million. All of these bonds are sold at interest rates above 3 percent but below 4 percent—so it is clear that if the proposed 3-percent rate had been in effect all of these bonds would have been eligible for purchase by the Federal Government, although the fact is that they were sold in the private market.

The only reasons set forth in the report on H.R. 7984 for the proposed reduction to 3 percent are that, first, the assistance intended by Congress has been greatly reduced; and, second, dormitory quarters financed with money at 3 percent can be rented to a student for \$380 a year while the same housing at 4 percent must be rented at \$430 a year.

Neither of these reasons seem to me valid. There is considerable evidence that many additional hundreds of millions of dollars will be needed for expanded college housing facilities in the years ahead and there is also positive evidence that in many instances annual dormitory rental fees range between \$200 and \$300 although the dormitories are financed at net interest costs ranging from 3.4 to 3.7 percent.

I urge adoption of this amendment to strike section 502 because I feel strongly that the proposed 3 percent rate would actually delay construction of needed college dormitories—many institutions which otherwise would obtain financing promptly in the private market will wait to obtain 3-percent funds and the proposed authorization will not satisfy this increased demand—because the proposed 3-percent rate would completely preempt college dormitory financing by the Federal Government—despite the fact that the present program has worked effectively—and because there is no evidence of need for the subsidy 3-percent rate.

Mr. WIDNALL. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this was my amendment and it was the result of hearings before our committee where we were told a very, very successful program, the college housing program, was being phased out because of an increase in the interest rate. The current interest rate was going up as of June 30 to 4 percent or over. The 3 percent rate will be in recognition of what is needed in this program to keep it going and provide low rental housing in college dormitories.

It is a program that I know all of the colleges of the country are very much interested in and they heartily support

it. The program has been successful with a much lower interest rate. It started out at 2½ percent and it has gradually climbed up with the market. This is a small subsidy but the alternative would be coming in here and requesting hundreds of millions of dollars by way of grants to the colleges for their college dormitories.

Mr. Chairman, I think this is a far more suitable approach, to provide the 3 percent rate in this bill which is realistic and which is the same as we are proposing in the housing for the elderly program and also the 221(d)(3) program.

Mr. PATMAN. Mr. Chairman, it is with great reluctance that I oppose the amendment, because the gentleman is a member of the committee, and a very valuable and able one. I cannot agree with this amendment. I do agree with the ranking minority member, the gentleman from New Jersey [Mr. WIDNALL].

This amendment, if adopted, would force colleges to charge higher dormitory room rates to college students and that is something I do not think the Congress wants to do. We all know about the tremendous problems facing our institutions of higher learning and we all know that the advanced education of our youth is one of the highest objectives of national welfare and security.

The facts are that most private colleges and many State colleges and universities are dependent on the college housing loan program for their borrowings. The flat 3-percent rate fixed in this bill will help lower costs to students in all types of colleges, public and private, and is particularly needed to keep down spiralling college costs.

I ask that the amendment be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. ASHLEY].

The amendment was rejected.

AMENDMENT OFFERED BY MR. MULTER

Mr. MULTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MULTER: Page 106, strike out "and" in line 9, "; and" at the end of line 20, and after line 20 insert the following:

"(4) by adding at the end thereof (after all other additions made by this Act) the following new paragraph:

"No building and loan association incorporated under the laws of the District of Columbia or organized in said District or doing business in said District shall establish any branch or move its principal office or any branch without the prior written approval of the Federal Home Loan Bank Board, and no other building and loan association shall establish any branch in said District or move its principal office or any branch in said District without such approval. As used in the sentence next preceding, "branch" means any office, place of business, or facility, other than the principal office as defined by said Board, of a building and loan association at which accounts are opened or payments thereon are received or withdrawals therefrom are paid, or any other office, place of business, or facility of a building and loan association defined by said Board as a branch within the meaning of said sentence, and as used in said sentence and in this sentence "building and loan association" means any incorpo-

rated or unincorporated building, building or loan, building and loan, savings and loan, or homestead association or cooperative bank."

Mr. MULTER (interrupting the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD. I understand it is acceptable to both sides.

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

There was no objection.

Mr. PATMAN. Mr. Chairman, the majority members of the committee are willing to accept the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. MULTER].

Mr. HALL. Mr. Chairman, a point of order. We do not know what the amendment is.

Mr. MULTER. Mr. Chairman, I will explain the amendment.

This amendment was considered in the committee and found acceptable. It merely provides that the Home Loan Bank Board shall exercise the same jurisdiction in the District of Columbia over all savings and loan associations, as to their right to establish a branch, or to move the home office or a branch office, as it now exercises with reference to savings and loan associations outside the District of Columbia. This would merely give the Board the right which it does not now have to require an application to be filed with it and to obtain the consent of the Home Loan Bank Board to establish a branch, to move a branch or to move a head office in the District of Columbia.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. MULTER].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. MOORHEAD

Mr. MOORHEAD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MOORHEAD: On page 57, strike out line 21 and all that follows down through page 58, line 5, and insert the following:

"Local grants-in-aid for urban renewal projects in Philadelphia and Wilkes-Barre, Pa.

"Sec. 312. Notwithstanding any other provision of law, moneys heretofore expended by the University of Pennsylvania and Wilkes College for land (and related expenditures for demolition and relocation) included in the overall development plans proposed by such institutions and utilized, or to be utilized, in connection with new facilities of such institutions within one mile of urban renewal projects Pennsylvania 5-3 (University City) and Pennsylvania R-149 (Wright Street), respectively, shall, if otherwise eligible be allowed as local grants-in-aid for such projects."

Mr. MOORHEAD. Mr. Chairman, this amendment to section 312 of H.R. 7984 will rectify a situation that has arisen in connection with Wilkes-Barre's Wright Street urban renewal project that is similar to the one being provided for in the section with respect to Philadelphia's University City urban renewal project. The Wilkes-Barre project was undertaken in conjunction with the ex-

pansion of the campus facilities of Wilkes College. Because of the long and narrow nature of this campus, some of the land acquired in accordance with the college's development plan is more than one-quarter mile from the urban renewal project boundaries, the limit for grant-in-aid credit determined by the Housing and Home Finance Agency to be required by section 112 of the Housing Act of 1949. This amendment would permit grant-in-aid credit to be obtained for those acquisitions and any related demolition and relocation expenditures.

I have discussed this amendment with the ranking minority member of the committee and I understand there is no objection.

If there is no objection I ask for immediate action on the amendment.

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

Mr. MOORHEAD. I am glad to yield to the chairman of the subcommittee.

Mr. BARRETT. I rise in support of the gentleman's amendment. It will correct the unfair situation in Wilkes-Barre. I understand the administration has no objection to the amendment. I believe that the minority members will also agree.

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

Mr. MOORHEAD. I am glad to yield to the gentleman from New Jersey.

Mr. WIDNALL. Mr. Chairman, we on this side will accept the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. MOORHEAD].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. FINO

Mr. FINO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FINO: On page 28, following line 6, add the following:

"(4) Section 212(a) of the National Housing Act is amended by inserting at the end thereof the following new sentence: 'The provisions of this section shall also apply to insurance under title X with respect to laborers or mechanics employed in land development financed with the proceeds of any mortgage insured under that title.'"

Mr. FINO. Mr. Chairman, this amendment that has been offered is a Davis-Bacon Act amendment. It is applicable to a new title which has been added to the housing bill.

Mr. PATMAN. Mr. Chairman, if the gentleman will yield, we are willing on the majority side to accept the gentleman's amendment.

Mr. Chairman, I rise in support of the amendment of the gentleman from New York. The prevailing wage requirements of the Davis-Bacon Act were, as a matter of fact, inadvertently omitted in committee, which is understandable in view of the many titles and sections of the bill. We all want to see the American worker receive a fair wage and I am happy to support the gentleman's amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. FINO].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. WIDNALL

Mr. WIDNALL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WIDNALL: Page 44, in line 2, insert "(a)" after "SEC. 211.", and after line 22 insert the following:

"(b) Section 203(b)(9) of such Act is amended by inserting after 'on account of the property' the following: '(except in a case to which the last sentence of paragraph (2) applies)'."

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

Mr. WIDNALL. I will be glad to yield to the chairman of the committee.

Mr. PATMAN. Mr. Chairman, we have discussed the amendment of the gentleman from New Jersey on the majority side, and we are willing to accept his amendment.

Mr. WIDNALL. Mr. Chairman, this is a technical and perfecting amendment. Without it, the amendment made by section 211 could not operate. The intent was to permit veterans a no-downpayment mortgage program.

Section 211 increases the maximum mortgage amount for veterans from 97 to 100 percent on the first \$20,000. It inadvertently does not eliminate the 3-percent requirement of FHA. This perfecting amendment does this.

Mr. Chairman, a number of outstanding provisions of this year's housing bill, reported with bipartisan backing from the Banking and Currency Committee, have been largely ignored as the result of the controversy over one particular section of the proposed legislation. One such provision is a new mortgage insurance program for veterans under the Federal Housing Administration, which I proposed, and which was cosponsored by the three other minority members of the Housing Subcommittee, the gentleman from New York [Mr. FINO], the gentlewoman from New Jersey [Mrs. DWYER], and the gentleman from Michigan [Mr. HARVEY].

The new program applies to any veteran having had active military service, and who was discharged or released from service under conditions other than dishonorable. It would not apply, however, to any veteran who has received any direct, guaranteed, or insured loan under any Veterans' Administration program for the purchase, construction, or repair of his residential property. Those who have not used up their eligibility under any Veterans' Administration loan program would also be eligible for the FHA program.

Under the new program, the FHA would insure 100 percent of the first \$20,000 value of a home mortgage, and 85 percent of any additional value to the present FHA maximum of \$30,000. In other words, a veteran would have a no-downpayment, insured mortgage for the first \$20,000, and need only a 5-percent downpayment for a \$30,000 home. A mortgagee would pay the standard FHA interest rate of 5¼ percent, which is the same rate as the VA programs require, plus an additional one-half of 1 percent to cover the cost of insurance.

By enacting this program, Congress, for the first time, will take major recognition of the sacrifices of America's cold war veterans who have served their country and the defense of freedom. The Veterans' Administration estimates that there are 3,503,000 post-Korea ex-servicemen, alone. These are the Americans in uniform who have landed on the beaches of Lebanon, patrolled the Formosa Strait, guarded the truce line in Korea, and manned the Checkpoint Charlies of the free world wherever they might be.

Nor should we ignore the efforts of those men and women presently serving on active duty within our Military Establishment. The Defense Department preliminary estimate for May 1965 shows 2,639,296 Americans in uniform. They, and the millions to follow in the crucial decades ahead, will be called upon whenever and wherever the prospect of armed hostility threatening the security of the Nation occurs. They are the veterans of tomorrow, fully deserving recognition by the country they serve. And they include thousands of servicemen with wartime experience, who, by choosing the service as a career could well serve past the expiration dates for the VA program.

Over the past 20 years, 6,334,479 veterans of World War II and the Korean conflict have taken advantage of the loan guarantee program administered by the Veterans' Administration. A total of \$60.2 billion in mortgage loans has been guaranteed, with a remarkable record of payment by our veterans. Only 2.5 percent of the loans guaranteed have resulted in defaults. I am particularly pleased to note that in my own State of New Jersey, the figure has been even lower, at 1.9 percent. Some 34.8 percent of the eligible veterans under the program have taken advantage of this special opportunity to become homeowners. The program has done an outstanding job, both for our veterans and the homebuilding industry, but it has reached a plateau from which a slow decline in activity has already begun.

Furthermore, although 12,765,000 veterans still remain eligible for the program, their eligibility under the law is phasing out. The law provides for a 10-year eligibility from the date of discharge, plus 1 year of eligibility for each 3 months of active duty. No one's eligibility could expire, however, until July 5, 1962, in the case of World War II veterans, and January 31, 1965, for veterans of the Korean conflict. As can be noted from these dates, the phasing out process has begun, and will be completed, in the case of World War II veterans, by July of 1967, and, in the case of Korean veterans, by January 31, 1975. The new program, then, will not only cover those who have never been eligible for VA benefits, but those who have not had reason to use their eligibility as yet, but are faced with eventual cutoff dates, if their dates have not already arrived.

I do not see how anyone could argue against the idea of benefiting and recognizing our cold war veterans, particularly in light of recent activity by our military forces in combat conditions in

South Vietnam and the Dominican Republic. There is, however, another important element to the proposal. Many of our servicemen are unable to afford the down payments necessary to begin homeownership, once they have been released from the service. Considering the inadequate pay scales of the Armed Forces, the ability to save toward this goal is often negligible. Yet they represent a potential market for homes that could do a great deal for the homebuilding industry, a vitally important segment of our national economic picture. By providing opportunities and assistance to our veterans through this new program, we are also strengthening the country's economic position as a whole.

This potential can clearly be seen in the following figures. I have already noted 12,765,000 veterans who have not used their eligibility under present programs, 3.5 million post-Korean ex-servicemen, and 2.6 million servicemen on active duty. If to these we add the 2.6 million war veterans prior to World War II, we have a potential of over 21 million eligible veterans under the new FHA mortgage insurance program I have proposed. Should only 35 percent of these veterans make use of the new program, which is the percentage of eligibles who have made use of their VA opportunities, it would stimulate 6.4 million new housing starts, or more than the entire VA program has produced to date. I cannot think of a more valuable built-in stabilizer for our economy.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey [Mr. WIDNALL].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. BARRETT

Mr. BARRETT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BARRETT: Page 7, after line 20, insert the following new subsection:

"(c) The third sentence of section 212(a) of such Act is amended by striking out 'described in subsection (d)(3)' and all that follows and inserting in lieu thereof 'described in subsection (d)(3) or (d)(4)'."

Page 7, line 21, strike out "(c)" and insert "(d)".

Mr. BARRETT. Mr. Chairman, in the 1961 act the prevailing wage requirements of the Davis-Bacon Act were omitted inadvertently for the nonprofit corporations under section 221(d)(3). This amendment corrects that and should be adopted. I am sure the gentleman from New Jersey would be willing to accept it.

Mr. WIDNALL. Mr. Chairman, if the gentleman will yield, the minority side is willing to accept the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. BARRETT].

The amendment was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from Georgia [Mr. FLYNT].

AMENDMENT OFFERED BY MR. FLYNT

Mr. FLYNT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FLYNT: On page 107, after line 14, add the following new section:

"TRANSFER OF LAND FOR URBAN RENEWAL PURPOSES BY HOUSING AUTHORITY OF THE CITY OF MACON, GEORGIA

"SEC. 1010. (a) Notwithstanding the provisions of title I of the Housing Act of 1949 and the United States Housing Act of 1937, the Housing and Home Finance Administrator and the Public Housing Commissioner are authorized and directed to consent to the transfer by the Housing Authority of the City of Macon, Georgia, to the Urban Renewal Department of the City of Macon, Georgia, of all property acquired by the Housing Authority for low-rent housing project numbered Georgia 7-8, on condition that (1) an amount which, together with any funds of the Housing Authority available for the purpose, is sufficient to pay and discharge all obligations incurred by the Housing Authority in connection with such low-rent housing project and owing at the time of transfer, will be paid by the Urban Renewal Department of the City of Macon to the Public Housing Administration to be applied in satisfaction of the Housing Authority's obligations which it cannot meet with its own funds available for the purpose, and (2) the total amount so paid by the Urban Renewal Department of the City of Macon will be included in the gross project cost of its Coliseum Urban Renewal Project, Georgia R-95.

"(b) The Housing and Home Finance Administrator and the Public Housing Commissioner are authorized to modify any contracts heretofore entered into and to take any other appropriate action necessary to carry out the provisions of subsection (a)."

Mr. FLYNT. Mr. Chairman, I ask unanimous consent to dispense with further reading of the amendment and that it be printed in full in the Record.

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

There was no objection.

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

Mr. FLYNT. I yield to my colleague from Georgia.

Mr. STEPHENS. I should like to ask the gentleman if this is the amendment we talked about yesterday.

Mr. FLYNT. This is the amendment which was placed in the Record on Monday, June 28, 1965, at page 14884. It appears there in full. Copies have been presented to the majority and minority of the committee. As I understand, it meets their approval.

Mr. STEPHENS. There is no money involved in this?

Mr. FLYNT. That is correct.

Mr. STEPHENS. It authorizes a swap of land; is that correct?

Mr. FLYNT. Exactly.

Mr. STEPHENS. Mr. Chairman, I recommend the approval of the amendment. Since it has been cleared, I recommend that we adopt it as a committee amendment.

Mr. PATMAN. M. Chairman, we are willing to accept the amendment.

Mr. WIDNALL. Mr. Chairman, there is no objection to the amendment on the part of the minority.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia [Mr. FLYNT].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. PELLY

The CHAIRMAN. The Chair recognizes the gentleman from Washington [Mr. PELLY].

Mr. PELLY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PELLY: On page 42, line 23, strike out "(a)".

On page 43, line 10, insert quotation marks after the period.

On page 43, strike out lines 11 through 25.

Mr. PELLY. Mr. Chairman, my amendment is very simple. It would strike out the paragraph that has been included in H.R. 7984 which gives the Housing Commissioner authority to borrow from the Treasury in order to pay cash under the FHA guarantee fund. In other words, my amendment would cut out the so-called back-door spending authority that has been added by the bill and which is completely superfluous and unnecessary.

Mr. Chairman, it is now 2 years since the once frequently heard and contentious term "back-door spending" has entered into the debate in this Chamber. It is really longer than that, because the last time a proposal for financing a new program by authorizing expenditures from public debt receipts was in connection with the extension of the Export-Import Bank in 1963, and at that time, as I recall, the chairman of the Banking and Currency Committee, the gentleman from Texas [Mr. PATMAN], himself offered an amendment to eliminate the back-door provision.

Mr. Chairman, at one time back-door spending—thereby avoiding the necessity of representatives of Government agencies coming before the Committees on Appropriations each year to justify their budget request—was a hot issue in this House. Back in 1960, with the help of some friends, I organized a bipartisan anti-back-door spending committee. As I recall, about 175 Members of both political parties signed up in support of a change in the House rules so as to require all bills carrying spending authority to come from the Committee on Appropriations. We had the votes in the House in support of our resolution but we could not muster a majority in the Rules Committee to report it.

For new Members who are not familiar with the history of appropriations jurisdiction in the House I might just mention that originally the House had one committee—the Committee on Ways and Means—which had jurisdiction over both taxes and expenditures. This system contributed to fiscal responsibility because spending and revenue raising were under the same people.

But the workload as the Government and the Nation grew became too heavy and about the time of the Civil War, or shortly thereafter, certain legislative committees were given the power to report their own appropriation bills. However, this system provided little in the way of overall control. Spending got out of hand in relation to Government income.

In 1916 both the Democratic and Republican Party platforms called for expenditure reform and promised reorganization with a single committee to scru-

tinize all appropriations and to weigh the urgency and need of one program as against another in relation to the condition of the Treasury.

That was the way the Committee on Appropriations was established in 1920 and for the ensuing decade the single committee plan worked. In fact, the Government averaged about \$1 billion surplus each year for the next 10 years.

In due course, however, the device known as back-door spending, so legislative committees could bypass the Committee on Appropriations, became popular, and since that time Congress has authorized in excess of \$150 billion of back-door borrowing authority and some \$16 billion of such borrowing has had to be forgiven.

But, fortunately of late years this House has come to frown on this method of financing new programs. I think the issue that turned the tide was when the proposal came from downtown to finance foreign aid by borrowing from public debt receipts. Congress rejected this plan whereby it would have abdicated its control and annual scrutiny of foreign aid expenditures.

So, as I say, for the past 2 years, since that issue was resolved, there have been no new back-door programs.

Meanwhile, the bipartisan anti-back-door spending committee, which I was instrumental in organizing, has been inactive and, of course, many of its one time members are no longer in Congress.

However, the other day when I suddenly woke up to the fact that the new omnibus housing bill reported by the Committee on Banking and Currency contained a provision to authorize the Housing Commissioner to use this method of funding the purchase of defaulted mortgages under FHA guarantees, I thought it advisable to get busy lest this crack open up the old floodgates. I got in touch with some of the former opponents of back-door spending and today I am joined by 57 of our colleagues in opposing this provision in the bill which my amendment would strike out.

After all, as I should explain, there is more than \$1 billion in the insurance guarantee fund, invested in Government bonds, to take up defaults, and furthermore should there ever reoccur a major depression such as in the 1930s, the Commissioner would have the authority to use debentures as was done successfully by FHA's predecessor organization, the old Home Owners Loan Corporation.

There is no need or justification for this back-door spending authority. In 1964, the Committee on Banking and Currency itself deleted this language.

Under permission granted by the House I include at this point a copy of a letter to the gentleman from Pennsylvania [Mr. BARRETT], who is floor manager of this legislation. It contains the names of our colleagues who support my amendment:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., June 22, 1965.

HON. WILLIAM A. BARRETT,
Rayburn House Office Building,
House of Representatives.

DEAR BILL: As you know for years I have been opposing back-door spending and on learning that this type of financing was in-

cluded in H.R. 7984 I asked a few of our colleagues to join me in trying to eliminate its provision which gives borrowing authority to the Housing Commissioner to make insurance payments in cash.

Herewith is a list of 57 Members of the House of both parties who have authorized me to use their names in this connection.

The purpose of this letter is to ask you, on behalf of the undersigned, to consider accepting an amendment which I will offer to strike section 520(b) and leave the insurance as in the past, to be paid from the guarantee fund or if necessary by debentures.

We don't see the justification of adding borrowing authority, and apparently your committee in the past felt the same way.

Sincerely,

THOMAS M. PELLY.

LIST OF MEMBERS IN SUPPORT

JOHN B. ANDERSON.
WALTER S. BARING.
WILLIAM H. BATES.
JAMES F. BATTIN.
WILLIAM E. BROCK.
JAMES BROYHILL.
ELFORD A. CEDERBERG.
GLENN CUNNINGHAM.
PAUL B. DAGUE.
SAMUEL L. DEVINE.
ROBERT DOLE.
WILLIAM J. DORN.
JOHN DOWDY.
THOMAS N. DOWNING.
ROBERT ELLSWORTH.
PAUL FINDLEY.
GERALD FORD.
JAMES FULTON.
ROBERT P. GRIFFIN.
H. R. GROSS.
EDWARD GURNEY.
JAMES HALEY.
DURWARD HALL.
WILLIAM HARSHA.
RALPH HARVEY.
A. SYDNEY HERLONG.
FRANK HORTON.
CRAIG HOSMER.
EDWARD HUTCHINSON.
CHARLES JONAS.
CARLETON KING.
JOHN KUNKEL.
GLENARD LIPSCOMB.
ROBERT MCCLORY.
CLARK MACGREGOR.
WILLIAM MAILLIARD.
CATHERINE MAY.
ROBERT H. MICHEL.
ARCH A. MOORE.
ANCHER NELSEN.
ALBERT QUIE.
CHARLOTTE REID.
BENJAMIN REIFEL.
JOHN J. RHODES.
HOWARD ROBISON.
RICHARD ROUDEBUSH.
GARNER E. SHRIVER.
VERNON THOMSON.
WILLIAM TUCK.
JAMES UTT.
JOHN WILLIAMS.
BOB WILSON.
JOHN W. WYDLER.
J. ARTHUR YOUNGER.
MELVIN R. LAIRD.
EDWARD DERWINSKI.
BURT L. TALCOTT.

In conclusion, Mr. Chairman, I wish to reiterate our strong opposition to including back-door spending under FHA guarantee program.

Let us not revive this old controversy. The FHA has a sound insurance plan. There is no need or justification for changing or adding to it. Let us keep it the way it is.

I urge support of my amendment.

Mr. PATMAN. Mr. Chairman, this amendment comes up every time there is opposition to a bill, particularly for the small business people or the poor people. Now, of course, "back-door spending" is a misleading and emotional phrase and is not truthful or genuine as used in this instance. There is no reason why we should approve this amendment and handicap the housing program, because it will handicap it. What good will it do? It should be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Washington [Mr. PELLY].

The question was taken; and on a division (demanded by Mr. PELLY) there were—ayes 37, noes 92.

So the amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. PUCINSKI].

Mr. PUCINSKI. Mr. Chairman, it had been my hope to offer an amendment to section 101. However, I have been advised by the Chairman and by the Parliamentarian that when the House adopted the substitute amendment to section 101 earlier today, no further amendments would be possible.

Mr. Chairman, it should be a source of concern to all of us that we are passing a bill which will make the Federal Public Housing Administrator a virtual czar over every single community in this country.

I had hoped that the Committee would at least give a municipality some voice in selecting the "housing owners" under section 101.

Under the present language of the bill any organization can work out an arrangement for a housing project with the Housing Administrator in Washington, and neither the mayor nor the city council, nor the city alderman, nor any local alderman, nor the Governor, no one has any veto power over anything or any say about the projects that are going into a city or community. I am unequivocally opposed to such a procedure and shall vote against section 101.

It seems to me that this House is really putting the Federal Government into the backyard of every single American community in this country. This proposal is just another move to dilute the powers of local government and superimpose the Federal Government on our people. The erosion of autonomy by local governments in some of these Federal programs is a growing trend which should alarm all of us.

The whole concept of rent subsidies, in my opinion, is a most dangerous precedent. Where do you intend to stop? How do you intend to justify to a middle-income American that he should continue to sweat in meeting his obligations for rent or payment on his house, while the less fortunate have the Federal Government pay part of their rent for the same housing.

Mr. Chairman, I believe the proposal needs a great deal more study. It is my hope that if we cannot write some safeguards into the provision here in the

House then the Senate certainly should do it when the measure comes up there.

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

AMENDMENT OFFERED BY MR. McDADE

Mr. McDADE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McDADE: On page 58 after line 5 insert the following new section:

"LOCAL GRANT-IN-AID CREDIT FOR CERTAIN COAL ROYALTIES

"Sec. 313. (a) Section 110(d) of the Housing Act of 1949 is amended by adding at the end thereof the following new paragraph:

"Where a project in any municipality includes an area affected by an underground mine fire or by a coal mine subsidence and where it is necessary in such project to remove any underlying coal deposits in order to stabilize the soil or to control the underground mine fire, then any royalties received by the project from the removal and sale of such coal deposits shall be credited to the project as a local grant-in-aid made by such municipality."

"(b) Any contract under title I of the Housing Act of 1949 executed prior to the date of the enactment of this Act shall, at the request of the municipality involved, be amended to reflect the amendment made by subsection (a)."

Mr. McDADE. Mr. Chairman and gentlemen of the Committee, the purpose of this amendment is to attempt to rectify a situation which literally threatens 10,000 people in my district in northeast Pennsylvania. They are threatened by a raging underground mine fire. This city, the city of Carbondale, is right smack dab in the heart of Appalachia. It has for many years faced the problem of unemployment and all the privations that go with it.

Mr. Chairman, all this amendment proposes to do is to permit the city, instead of paying a coal royalty which is now paid when the coal is extracted to fight this fire to the local redevelopment authority, that this be paid to the local municipality and thus reduce the amount which the city must contribute as part of its redevelopment cost.

Mr. Chairman, all this amendment will do is say to the city of Carbondale, you may now use the 22 cents a ton which you have been getting as a royalty for the use of the local redevelopment authority as a part of the project cost and use it as a part of the local contribution.

This amendment will permit this vital project to continue. This amendment will enable this fire to be extinguished. This amendment, Mr. Chairman, will save a city of 10,000 people.

I urge its adoption.

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

The question is on the amendment offered by the gentleman from Pennsylvania [Mr. McDADE].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. ROGERS OF COLORADO

Mr. ROGERS of Colorado. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ROGERS of Colorado: On page 58, add the following after line 5:

"LOCAL GRANTS-IN-AID FOR URBAN RENEWAL PROJECT IN DENVER

"SEC. 313. Notwithstanding the extent to which the cultural and convention center proposed to be built adjacent to urban renewal project Colorado R-15 (Skyline) in Denver, Colorado, may benefit areas other than the urban renewal area, expenses incurred by the city of Denver in constructing such center shall, to the extent otherwise eligible, be counted as a grant-in-aid toward such project."

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

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

Mr. PATMAN. We have considered this amendment on the majority side, and we are willing to accept the gentleman's amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Colorado [Mr. ROGERS].

The amendment was agreed to.

Mr. LINDSAY. Mr. Chairman, I rise in support of this legislation and I urge the House to support it.

Mr. Chairman, not too many weeks ago I had occasion to state that "cities are for people and for living." I believe very deeply in the truth of that statement. Yet our cities are in an age of crisis, and for too many of our people they offer no place in which to live.

Too many of our people inhabit substandard housing. Too many of our people cannot find decent housing at a rental they can afford. Too many of our people want to leave our cities because they cannot find housing.

New York City suffers from a housing shortage more acutely than any city in the Nation.

The bill before us is not a cure-all for the diverse and complex housing ills which plague our cities. But it is an important bill that will help. It is deserving of our support.

Certain portions of the bill deserve particular comment.

The bill will increase by \$2.9 billion the capital grant authorization for urban renewal over the next 4 years. The committee recognized, in its report, that a serious problem of urban blight remains, which can be solved only with the aid of the Federal Government. I have maintained for some time that conquest of these slum conditions requires the mobilization of all resources—Federal, State, and local.

We have benefited from our experience by updating the general neighborhood renewal program to permit spot renewal of areas which are in partly good condition. We have also learned that it is often preferable to rehabilitate rather than destroy existing housing.

The neighborhood facilities grants authorized under title VI, and liberalization of the urban beautification and improvement programs of title VIII, can be of great benefit to New York and other cities with high density population concentrations. The cost to society of providing treatment for illness, making

welfare payments, combating crime, and meeting the problems of the aged can be greatly reduced by the type of preventive measures which the neighborhood facilities will provide. The concept of acquiring and clearing developed land for small parks, squares, playgrounds, pedestrian malls, and the like is one which I have long favored. In built-up urban areas such as New York, where all too little thought has been given to such facilities, it is a way of providing needed recreational and breathing space.

The use of existing private housing in addition to new public housing to provide greater numbers of low-rent accommodations is one of the most important and constructive parts of this bill. The rent certificate program can, in many areas, provide badly needed additional units immediately at a cost to the taxpayer well below that of new public housing. I commend our colleague from New Jersey [Mr. WIDNALL], on this important contribution he has made to the bill. The gentleman has significantly contributed to the whole bill, but this portion carries his special mark.

Direct housing loans to our elderly and handicapped citizens represent a partial answer to one of our most pressing needs. Our senior citizens are often living on fixed incomes substantially lower than those required to meet the increasing cost of adequate housing. These loans will enable many of them to continue to live near their families, in those areas in which they have made their homes for most of their lives. Of great help along these lines will also be the grants authorized to permit low-income homeowners to finance necessary repairs and improvements to avoid displacement in urban renewal areas.

The most important, as well as the most controversial, section in this bill is the rent supplement provision. This program would provide Federal assistance to low and moderate income families and individuals for partial rental of nonpublic housing. The persons benefiting from this section would be limited to those displaced by governmental action, such as urban renewal, 62 years of age or older, physically handicapped, or living in substandard housing.

These groups need and deserve more help than our present public housing programs can provide. There simply is not enough public housing now in existence, underway, or contemplated for the foreseeable future to shelter our low-income families. Furthermore, many of those with very moderate incomes are caught betwixt and between. They earn too much to qualify for public housing, yet not enough to afford decent private housing.

Our cities will be what we make of them. Unless we make it possible for our skilled low and middle income groups to find decent housing, we will drive them and their economic talents from our cities. This is as good a way to weaken the economy of our cities as anything I can think of; and weaken them in every other way too, most especially in human values.

The rent supplement program should not be regarded by anyone as a radical

proposal. It is, in fact, far less "radical," as long as that word is being used by some, than straight public housing. Public housing includes rent supplements; it is also bricks and mortar; it is total government. The proposal before us on rent supplements is partial government and, together with the rent certificate program authored by Mr. WIDNALL, will make immediately available decent, safe, and sanitary shelter to those who badly need it.

Furthermore, public housing too often has been stereotyped and has resulted in an unhealthy economic segregation. The rent certificate and rent supplement programs avoid this.

I intend to vote for this bill and all its provisions and I ask for its support.

Mr. KUNKEL. Mr. Chairman, I offer two amendments.

The Clerk read as follows:

Amendments offered by Mr. KUNKEL: After line 4 on page 24, insert two new sections, as follows:

"ACQUISITION OF CERTAIN PROPERTIES SITUATED AT OR NEAR MILITARY BASES WHICH HAVE BEEN ORDERED TO BE CLOSED

"SEC. 1009. (a) The Secretary of Defense is authorized to acquire title to any property, improved with a one- or two-family dwelling, which is situated at or near a military base or installation which the Department of Defense has, subsequent to November 1, 1964, ordered to be closed in whole or in part, if he determines—

"(1) that the owner of such property is, or has been, employed or performing military service at such base or installation;

"(2) that the closing of such base or installation, in whole or in part, has required or will require the termination of such owner's employment or service at such base or installation; and

"(3) that as the result of the actual or pending closing of such base or installation there is no present market for the sale of such property upon reasonable terms and conditions.

"(b) The purchase price of any property which is situated at or near a military base or installation and is acquired under this section shall be equal to an amount determined by the Secretary of Defense to be the average price at which properties, similar in size, construction, condition, and location to that of the property to be acquired, were sold during a representative period, as determined by the Secretary, prior to the announcement of the intention of the Department of Defense to close all or part of such base or installation.

"(c) The title to any property acquired under this section shall be free and clear of any outstanding liens or encumbrances and shall conform to such requirements as the Secretary of Defense shall by regulation require. Such regulations shall also prescribe the terms and conditions under which payments may be made under this section, and decisions by the Secretary regarding such payments, and the terms and conditions under which the same are approved or disapproved, shall be final and conclusive and shall not be subject to judicial review.

"(d) Properties acquired under this section shall be transferred to the Federal Housing Commissioner, and the Federal Housing Commissioner shall have the power to deal with, rent, renovate, or sell for cash or credit any properties so transferred. Receipts from the management or sale of any such properties may be utilized by the Commissioner to defray expenses arising in connection with the management of such properties, and any part of such receipts not required for such

expenses shall be covered into the Treasury as miscellaneous receipts.

"(e) Section 223(a) of the National Housing Act is amended—

"(1) by striking out the period at the end of paragraph (7) and inserting in lieu thereof "; or"; and

"(2) by inserting after paragraph (7) a new paragraph as follows:

"(a) executed in connection with the sale by the Commissioner of any housing acquired pursuant to section 108 of the Housing and Urban Development Act of 1965."

"(f) Such sums as may be necessary to carry out the provisions of this section are hereby authorized to be appropriated, and any sums so appropriated shall remain available until expended.

"MORTGAGE RELIEF FOR HOMEOWNERS WHO ARE UNEMPLOYED AS THE RESULT OF THE CLOSING OF A FEDERAL INSTALLATION

"Sec. 1010. (a) For the purposes of this section—

"(1) The term 'mortgage' means a mortgage which (A) is insured under the National Housing Act, or (B) secures a home loan guaranteed or insured under the Servicemen's Readjustment Act of 1944 or chapter 37 of title 38, United States Code.

"(2) The term 'Federal mortgage agency' means—(A) the Federal Housing Commissioner when used in connection with mortgages insured under the National Housing Act, and (B) the Administrator of Veterans' Affairs when used in connection with mortgages securing home loans guaranteed or insured under the Servicemen's Readjustment Act of 1944 or chapter 37 of title 38, United States Code.

"(3) The term 'distressed mortgagor' means an individual who (A) is unemployed, although willing to work, as the result of the closing (in whole or in part) of a Federal installation, and (B) is the owner-occupant of a dwelling upon which there is a mortgage securing a loan which is in default because of the inability of such individual to make payments of principal and/or interest under such mortgage.

"(b) (1) Any distressed mortgagor, for the purpose of avoiding foreclosure of his mortgage, may apply to the appropriate Federal mortgage agency for a determination that suspension of his obligation to make payments of principal and/or interest under such mortgage during a temporary period is necessary in order to avoid such foreclosure.

"(2) Upon receipt of an application made under this subsection by a distressed mortgagor, the Federal mortgage agency shall issue to such mortgagor a certificate of moratorium if it determines, after consultation with the interested mortgagee, that (A) the mortgagor is not in default with respect to any condition or covenant of the mortgage other than that requiring the payment of installments of principal and/or interest under the mortgage, and (B) such action is the only available means whereby a foreclosure of such mortgage can be avoided.

"(3) Prior to the issuance to any distressed mortgagor of a certificate of moratorium under paragraph (2), the Federal mortgage agency shall require such mortgagor to enter into a binding agreement under which he will be required to make payments to such agency, after the expiration of such certificate, in an aggregate amount equal to the amount paid by such agency in behalf of such mortgagor as provided in subsection (c). The manner and time in which such payments shall be made shall be determined by the Federal mortgage agency having due regard to the purposes sought to be achieved by this section.

"(4) Any certificate of moratorium issued under this subsection shall expire on whichever of the following dates is the earliest (A) three years from the date on which such certificate is issued; (B) thirty days after

the date on which the mortgagor to whom such certificate is issued ceases to be a distressed mortgagor as defined in subsection (a); or (C) the date on which such mortgagor becomes in default with respect to any condition or covenant in his mortgage other than that requiring the payment by him of installments of principal and/or interest under the mortgage.

"(c) (1) Whenever a Federal mortgage agency issued a certificate of moratorium to any distressed mortgagor with respect to any mortgage, it shall transmit to the mortgagee a copy of such certificate, together with a notice stating that, while such certificate is in effect, such agency will assume the obligation of such mortgagor to make payments of principal, and if so specified in the certificate, of interest, under the mortgage.

"(2) Payments made by any Federal mortgage agency pursuant to a certificate of moratorium issued under this section with respect to the mortgage of any distressed mortgagor shall include, in addition to the payments referred to in paragraph (1), an amount equal to the unpaid principal and interest charges which had accrued under such mortgage prior to the issuance of such certificate and subsequent to the date on which such mortgagor became a distressed mortgagor as defined in subsection (a).

"(3) While any certificate of moratorium issued under this section is in effect with respect to the mortgage of any distressed mortgagor, no further payments of principal, and if so specified in the certificate, of interest, under the mortgage shall be required of such mortgagor, and no action (legal or otherwise) shall be taken or maintained by the mortgagee to enforce or collect such payments. Upon the expiration of such certificate, the mortgagor shall again be liable for the payment of all amounts due under the mortgage in accordance with its terms.

"(4) Each Federal mortgage agency shall give prompt notice in writing to the interested mortgagor and mortgagee of the expiration of any certificate of moratorium issued by it under this section.

"(d) The Federal mortgage agencies are authorized to issue such individual and joint regulations as may be necessary to carry out this section and to insure the uniform administration thereof.

"(e) There shall be in the Treasury (1) a fund which shall be available to the Federal Housing Commissioner for the purpose of extending financial assistance in behalf of distressed mortgagors as provided in subsection (c), and (2) a fund which shall be available to the Administrator of Veterans' Affairs for the same purpose. The capital of each such fund shall consist of such sums as may, from time to time, be appropriated thereto, and any sums so appropriated shall remain available until expended. Receipts arising from the programs of assistance under subsection (c) shall be credited to the fund from which such assistance was extended. Moneys in either of such funds not needed for current operations, as determined by the Federal Housing Commissioner, or the Administrator of Veterans' Affairs, as the case may be, shall be invested in bonds or other obligations of the United States, or paid into the Treasury as miscellaneous receipts.

"(f) Section 1816 of title 38, United States Code, is amended by inserting '(a)' before the text of such section, and by adding at the end thereof a new subsection as follows: '(b) With respect to any loan made under section 1811 which has not been sold as provided in subsection (g) of such section, if the Administrator finds after there has been a default in the payment of any installment of principal or interest owing on such a loan, that the default was due to the fact that the veteran who is obligated under the loan has become unemployed as

the result of the closing (in whole or in part) of a Federal installation, he shall (1) extend the time for curing the default to such time as he determines is necessary and desirable to enable such veteran to complete payments on such loan, including an extension of time beyond the stated maturity thereof, or (2) modify the terms of such loan for the purpose of changing the amortization provisions thereof by recasting, over the remaining term of the loan, or over such longer period as he may determine, the total unpaid amount then due with the modification to become effective currently or upon the termination of an agreed-upon extension of the period for curing the default.' "

Mr. KUNKEL. Mr. Chairman, one of these amendments provides for people who are unemployed as a result of the closing of a Federal installation.

This amendment has already been included in the Senate bill. The second amendment provides for the acquisition of certain property situated at or near military bases which have been ordered to be closed, and it will protect those who are forced to sell their houses at a low price when they have to move to a far-off installation.

Mr. BARRETT. Mr. Chairman, the majority side has no objection to the amendment.

Mr. WIDNALL. Mr. Chairman, the minority has no objection to the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. KUNKEL].

The amendment was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from Georgia [Mr. HAGAN].

AMENDMENT OFFERED BY MR. HAGAN
OF GEORGIA

Mr. HAGAN of Georgia. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HAGAN of Georgia: On page 107, after line 14, add the following new section:

"URBAN RENEWAL PROJECT IN SAVANNAH, GA.

"Sec. 1010. (a) Notwithstanding any provision of the Housing Act of 1949 or any other provision of law, the urban renewal project in Savannah, Ga., known as Project 'J' in the General Neighborhood Renewal Plan for the Broad Street-Canal Urban Renewal Area adopted by resolution of the mayor and aldermen of the city of Savannah on November 18, 1958, may include the donation by housing authority of Savannah, by a suitable instrument of conveyance, of the right, title, and interest of the authority in and to all or any portion of the land included within the boundaries of such Project 'J' in the city of Savannah, Chatham County, Ga., the area of such Project 'J' being generally bounded on the north by properties of the Central of Georgia Railway Co., on the east by West Broad Street, in the south by the right-of-way for Interstate Highway No. I-16, and on the west by the Savannah and Ogeechee Canal and West Boundary Street.

"(b) The conveyance authorized to be included in the urban renewal project under subsection (a) of this section shall be made only if the donee represents, and furnishes such assurances as may be required by housing authority of Savannah, that such donee will develop, preserve, and operate such property on a nonprofit basis as a historical site or monument."

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

Mr. HAGEN of Georgia. I am delighted to yield to my colleague, the gentleman from Georgia.

Mr. STEPHENS. As I understand this amendment, this will provide for authority only for the housing authority of the city of Savannah to set aside a parcel of land to be used as a part to commemorate the valiant service of that great Polish count, Count Pulaski, in the American Revolution.

Mr. HAGEN of Georgia. That is correct.

Mr. STEPHENS. And there is no money involved here at the present time?

Mr. HAGEN of Georgia. None whatsoever.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia [Mr. HAGEN].

The amendment was agreed to.

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

AMENDMENT OFFERED BY MR. SAYLOR

Mr. SAYLOR. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SAYLOR: On page 24, line 3, add the following new sentence to section 1009:

"For the purpose of this section, public ownership and public systems are defined to include investor-owned enterprises rendering water, or sewer services as public utilities and subject to regulation by State regulatory authorities with respect to user rates and charges, capital structure, methods of operation, and rate of return."

Mr. SAYLOR. Mr. Chairman, the purpose of this amendment is to make sure that organizations which are now regulated by the State are given the same authority as other bodies.

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

Mr. SAYLOR. I am happy to yield to the gentleman.

Mr. PATMAN. I would like to ask the gentleman a question. This amendment says "to include investor-owned enterprises rendering water, or sewer service as public utilities and subject to regulation by State regulatory authorities." This does not exclude any entity such as the REA; does it?

Mr. SAYLOR. It does not.

Mr. PATMAN. It does not exclude them. It includes them. Why do you think an amendment is necessary to include them? Does the language specifically exclude them?

Mr. SAYLOR. Because the people in Pennsylvania who are in the Pennsylvania Utility Commission have said if the language remains as it is in the bill at the present time, they will be excluded.

Mr. PATMAN. What is the language that would cause them to be excluded?

Mr. SAYLOR. It is the whole section.

Mr. PATMAN. I have read the language there and I am only trying to help the gentleman, but I do not see the language that would exclude them.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. SAYLOR].

The amendment was rejected.

AMENDMENT OFFERED BY MR. HAGEN OF CALIFORNIA

Mr. HAGEN of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HAGEN of California: On page 93, after line 20, insert the following new section:

"DEFINITION OF A RURAL AREA

"SEC. 907. Title V of the Housing Act of 1949 is amended by adding at the end thereof (after the new section added by section 906 of this Act) the following new section:

"SEC. 520. The terms "rural" and "rural area" as used in this title mean any area, open country, place, town, village, or city having a population of 5,500 inhabitants or less that is not part of or associated with an urban area."

Mr. HAGEN of California. Mr. Chairman and Members of the committee, we have been washed by a beneficent flood all afternoon, and I do not wish to disturb the spirit of this occasion.

I have a very fine amendment, which establishes a statutory definition of a "rural area" for the Farmers Home Administration's nonfarm rural loan program.

The general impetus for services for the low-income groups in any housing and urban development program, must also, equally include services for those of the rural areas under deprivation, and in particular, the seasonal farmworker.

One of the most viable tools for a sustained attack on the deficiencies of seasonal farm labor housing has been self-help housing. Self-help housing is a technique whereby the farm laborer adds his own "sweat equity" with that of his neighbors in concert, in building his own home during the period of the dearth of harvest winter work. A project in self-help housing, sponsored by the American Friends Service Committee in Tulare County, Calif., over the past 3 years has been a signal success in farm labor housing as well as reshaping the lives of its participants. Finding that one can creatively contribute to the shelter for one's family has given confidence to scores of people in realizing success in other endeavors, such as better jobs and better education for one's self and one's children.

These successes in the self-help housing have led to the expansion of the program in California by two grants from the Office of Economic Opportunity for technical assistance. Similar projects are either in operation or in the planning stages in such diversely scattered States as New Jersey, Texas, Arizona and Pennsylvania.

Without the cooperation of the Farmers Home Administration, and in particular its rural home loan program, self-help housing could never be a success.

The long-term 33 year loans, at an interest rate of 4 percent, now available from Farmers Home Administration are a necessary component of any program that will sensibly coincide with the ability of farmworkers to meet the financial obligations of a regular, monthly payment.

If the interest rates were raised over the 4 percent by Farmers Home, it is

certain that this would preclude a large number of farm laborers from ever owning their own homes, since it is the low interest rate, coupled with the 1,000 man-hours average of work contributed by the owner-builder, that makes this program financially feasible.

Woodlake, Calif., is an agricultural community of about 3,000, in the heart of the citrus-olive and grape belt, couched in the foothills of the Sierra, in the east side of Tulare County. Two years ago, the City Council of Woodlake, realizing that some of the housing in the area violated every normal code of health, safety, and decency, instituted a program whereby they condemn at least two "shacks" a month.

They realize that the concern that caused them to condemn these structures would eventually lead to the situation where they would, in fact, be "throwing away the baby with the wash water," unless the dilapidated housing in Woodlake was replaced, as the bulk of its seasonal farmworker residents use this community as a "home base," harvesting the diverse crops in the region.

Groups of farmworkers, as well as township officials, were eager to involve themselves of the self-help technique through the use of Farmers Home rural home loans. This was denied them, since it is a policy that loans are only forthcoming for communities of 2,500 population or under.

Restrictions of loans to communities of 2,500 in population precludes participation of much of the bulk of seasonal or migratory farmworkers in California. The majority of these workers do not live in ranch-based camps but in fringe complexes or clumps attached to the towns and cities of rural California, and the more agriculturally diversified the area, the more the farmworker has become an integrated part of the community in which he lives.

This strong stabilizing force also depends so much on home ownership, and with it, the pride and commitment of which it entails. Easier access to health and educational facilities available to residents of community based housing is itself an impetus to self-betterment.

The 2,500 population base, used by the USDA census tract to delineate non-rural from rural, therefore penalizes a seasonal farmworker who lives in a labor intensive agricultural area from realizing the fruits of the Farmers Home rural home loan program. The California sister counties of Tulare, Kern, and Fresno, and the communities within them, are certainly not "urban" communities of as defined by an arbitrary, outmoded census delineation. These three counties are, in fact, the most productive agricultural counties from the viewpoint of crop value in all of the United States, and have been so for more than a decade.

I realize that the Farmers Home use of the 2,500 population policy limitation on rural home loans stems mainly from a lack of loan funds to broaden their program. I therefore urge the following:

First. That the Farmers Home Administration consider broadening their ad-

ministrative policy to include agriculturally dependent communities of 5,500 or less population, instead of 2,500.

Second. And that added and sufficient loan funds be made available to the rural home loan program coincident to the broadened policy of servicing communities of 5,500 in population.

When the seasonal or migrant farmworker section of the Economic Opportunity Act of 1964—Section 3B—included "housing" as an area for succor, it was expected that the existing rural home loan programs of Farmers Home Administration would be the primary vehicle for implementation of a program for satisfying this need.

It was felt the prime need for family housing for seasonal farmworkers would also encourage those individuals so motivated to help build their own, and the growing thrust of self-help and self-betterment would not be blunted by program limitations.

I have discussed the amendment with the Chairman of the committee and the chairman of the subcommittee and presented it to the gentleman from New Jersey. I believe it is acceptable.

Mr. PATMAN. Mr. Chairman, we are willing to accept the amendment on this side.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. HAGEN].

The amendment was agreed to.

The CHAIRMAN. Under the motion of the gentleman from Texas, all time having expired, amendments at the Clerk's desk can be read but cannot be debated.

AMENDMENT OFFERED BY MR. DINGELL

Mr. DINGELL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DINGELL: On page 67, before the period in line 7, insert the following:

"Provided, That no grant shall be made under this section for any sewer facilities unless the Secretary of Health, Education, and Welfare certifies to the Administrator that any waste material carried by such facilities will be adequately treated before it is discharged into any public waterway, so as to meet applicable Federal, State, interstate, or local water quality standards."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. DINGELL].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. BANDSTRA

Mr. BANDSTRA. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BANDSTRA: On page 107, after line 14, add the following:

"URBAN RENEWAL PROJECT IN OTTUMWA, IOWA
"Sec. 1010. Notwithstanding the June 1956 commencement of certain flood control work in Ottumwa, Iowa, local expenditures in connection with such flood control work shall, to the extent otherwise eligible, be counted as a local grant-in-aid to the Marina Gateway urban renewal project (Iowa R-12) in accordance with the provisions of title I of the Housing Act of 1949."

Mr. BANDSTRA. Mr. Chairman, I rise to offer an amendment to the Housing

and Urban Development Act of 1965. This amendment deals only with the city of Ottumwa, in south-central Iowa, and it is designed to clear up a problem in connection with the city's urban renewal program.

The city is moving ahead with plans for the Marina Gateway urban renewal project, directly adjacent to the Des Moines River as it flows through Ottumwa. The city already has constructed a flood control project, financed almost entirely by local funds, which serves to protect the urban renewal area.

Normally, under title I of the Housing Act of 1949, Ottumwa would be eligible to receive Federal grant-in-aid credit for the flood control project which would offset, in large measure, the local cost for urban renewal work.

The Housing Act of 1949 provides for such grant-in-aid credit if a city-financed project, such as the flood prevention work, is of direct and substantial benefit to the urban renewal program. This is clearly the case in Ottumwa, for the Marina Gateway project is in a low-lying area that would be subject to flooding if it were not for the levees constructed by the city.

Ottumwa, however, is faced with a problem stemming from another provision in the Housing Act. This requires that, for a city to be eligible for grant-in-aid credit toward the local share of the urban renewal cost, work on the urban renewal project must start within 3 years from the completion of a related project, such as Ottumwa's flood prevention work.

In Ottumwa's case, this 3-year limit ran out on May 15. The purpose of the amendment I am offering, therefore, is to waive this 3-year limit, as it applies to the Marina Gateway project in Ottumwa, and thereby make the city eligible to receive grant-in-aid credit.

It should be pointed out that in 1947 Ottumwa was subjected to severe flooding. About one-third of the city, including what is now the Marina Gateway urban renewal area, was under water. In all, the flood caused an estimated \$22 million in damage.

Because of the severity of the 1947 flood, the city proceeded as quickly as possible to avoid a similar disaster in the future. Ottumwa decided to finance the flood control project almost entirely from local funds, rather than wait to receive substantial Federal aid for the flood prevention work.

Since a heavy financial obligation was involved, the city could proceed on only one large undertaking at a time. Ottumwa went ahead with the flood control project, and waited until that was finished before starting its urban renewal planning. Hence there was an unavoidable time-lag between the flood control and urban renewal projects.

If Ottumwa does not receive grant-in-aid credit for the flood control work, the city and its citizens would, in effect, be penalized for going ahead on the flood prevention work at local expense. The amendment I am offering would remove that inequity, and I strongly urge its passage.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa [Mr. BANDSTRA].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. DUNCAN OF OREGON

Mr. DUNCAN of Oregon. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DUNCAN of Oregon: On page 45, line 6, after section 212 of H.R. 7984, insert:

"REFINANCING OF HOUSING FOR ELDERLY PROJECTS

"SEC. 213. Section 231(c)(7) of the National Housing Act is amended by striking out 'with 50 per centum' and inserting in lieu thereof 'or involves the refinancing of a mortgage covering an existing property or project in which it has been determined by the Commissioner that such refinancing is necessary or desirable in order to avoid hardship for elderly or handicapped persons or families who are tenants or prospective tenants of such project: Provided, That in either case, such property or project shall contain 50 per centum.'"

Mr. DUNCAN of Oregon. Mr. Chairman, the amendment would authorize FHA mortgage insurance for refinancing existing housing for the elderly where it is determined by the commissioner that such refinancing is necessary or desirable to avoid hardship for elderly or handicapped persons.

Briefly, the circumstances which occasioned the need for this amendment involve the Rouge Valley Manor, a retirement home in Medford, Oreg., with just under 400 units. At the time of construction, this nonprofit corporation, and others in Oregon, justifiably assumed that they would be exempt from real property taxes under Oregon law as are similar projects in many other States. Their financing was, therefore, planned accordingly. A subsequent Oregon Supreme Court decision disabused them of this assumption and held that they would have to pay real property taxes. They are now faced with a back tax liability of just under \$500,000 in addition to payment of a short-term loan and mortgage and are facing a tax foreclosure proceeding in August.

While this amendment would not add any new units, it provides the tool which will prevent the loss of almost 400 units already in existence. With long-term financing and the renegotiation of care contracts and loans from residents, it appears that all of their obligations can be met. An FHA guarantee is available for new construction and for refinancing housing for the elderly where the initial financing was through FHA. It seems incongruous not to make the FHA guarantee available to prevent the loss of housing where the project is otherwise sound and the loan has a reasonable chance of repayment simply because the institution was originally funded privately. This amendment closes this gap and I urge its adoption.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oregon [Mr. DUNCAN].

The amendment was agreed to.

AMENDMENTS OFFERED BY MR. DOWDY

Mr. DOWDY. Mr. Chairman, I offer three amendments.

The CHAIRMAN. Without objection, the amendments will be considered en bloc. The Clerk will state the amendments.

The Clerk read as follows:

Amendment offered by Mr. Dowdy: At page 55, following line 13, insert the following new section:

"REHABILITATION OF STRUCTURES IN URBAN RENEWAL AREAS

"SEC. 309. Section 105 of the Housing Act of 1949 is amended by adding at the end thereof the following new subsection:

"(f) Unless the owner thereof consents thereto, no privately owned structure within an urban renewal area shall be acquired if (1) such structure, and the property on which it is located, can be economically improved or modified for use in conformity with the project plan approved for redevelopment or rehabilitation of a project area, and (2) the owner (or lessee, with the approval of the owner) of such structure promptly presents satisfactory evidence that he is willing and able to make the necessary improvements or modifications to conform such structure and property to the approved project plan for the project area in a reasonable period of time."

And redesignate the succeeding sections accordingly.

Mr. DOWDY. Mr. Chairman, the amendment to H.R. 7984, which I have presented to the House, is a very sound and very simple one. It will save needless expenditure of Federal funds. It will save needless expenditure of funds in local communities which have or may have urban renewal projects. It will enable every Member of this body to face his local homeowners and the owners of local business and commercial structures to tell his constituents honestly that he supported provisions in the law which would permit them to retain ownership of their property if they were ready and willing to improve and rehabilitate it for use in accordance with an approved project plan. I do not believe Members of the House would stand before their constituents and state publicly that they favored a procedure under which the private property of one person can be condemned and then sold to another private person to be used for the identical purposes under the same renewal plan.

The amendment simply provides that any privately-owned building or structure, which can be rehabilitated to conform to a project plan, cannot be condemned if the owner or lessee, on agreement with the owner, is ready, willing, and able to make the necessary changes to comply with the approved project plan. In the event the owner is agreeable to the acquisition of his property, the Agency may acquire it. Under the amendment a structure will not remain in an urban renewal project area unless it harmonizes with the design and the uses which are provided in the project plan.

The amendment would apply to residential structures as well as business and commercial structures.

Not only will the amendment save Federal and local taxpayers' funds, but it supports and augments the basic pur-

poses and the intent of Congress in the concept of urban renewal, namely, the conservation and rehabilitation of property, and the redevelopment of substandard and blighted areas. Nothing in the amendment, in any way, diminishes the power of removal of slum or blight in any urban renewal area.

Further, the amendment is in complete harmony with the views expressed by the President of the United States. In his message to Congress on "The Problems and Future of the Central City," on March 2, 1965, the President stated:

We have concentrated in almost all our past efforts on building new units, when it is often possible to improve, rebuild, and rehabilitate existing homes with less cost and less human dislocation. Even some areas now classed as slums can be made decent places to live with intensive rehabilitation. In this way it may often be possible to meet our housing objectives without tearing people away from their familiar neighborhoods and friends.

The amendment which I have presented would merely require that the President's objectives, which I have just stated, are actually carried out in the course of urban renewal redevelopment.

At the time he signed the Housing Act of 1964 on September 2, 1964, the President stated:

The plight of property owners in urban renewal areas is recognized in this measure. Provision is made so that they can rehabilitate their homes and businesses instead of having to move from the path of the bulldozer. Looking ahead, this measure assists local communities in enforcing housing codes so blight does not develop or persist in the future.

While the President's comment was directed to the matter of assisting communities and property owners by maintaining housing code standards so as to prevent blight, the amendment I have offered supplements to the President's recognition of the plight of property owners in urban renewal areas by giving to the owners of homes and business properties the full right to retain their ownership and be relieved from the process of condemnation where they are willing and able to improve, rehabilitate, or repair structures in harmony with the design and the uses contained in an urban renewal area project plan.

This amendment preserves the basic concept and right of citizens in the United States to the ownership and enjoyment of their property. The entire urban renewal program is based on the concept that the condemnation of privately-owned property is necessary and desirable for a public purpose and a public use. The property owner, under this amendment, does the same thing that would be accomplished after condemnation of his property, and there is no public use or public purpose to be served by taking his property from him. Without the approval of this amendment the Members of this House in substance and in legal effect will be saying to every property owner of the Nation that it is proper to use the public power of condemnation to take private property of one person for the sole purpose of turning the ownership of that property over

to another person, for the same purpose, and using the taxes paid by the property owner in the process of doing it. Any such idea is utterly alien to any concept in our Constitution or any purpose or need in any community in the Nation.

In connection with the question of savings to the Federal and local governments, I call attention to studies which have been made by the Comptroller General of the United States. I am sure that his findings would be supplemented greatly if there were any comprehensive study made in urban renewal projects throughout the United States regarding the present practice of acquisition of and, in many instances, the demolition of sound usable structures which could have been retained within the project plan for use in harmony with the program.

The review of the Erie View project in Cleveland, Ohio, by the Comptroller General showed that millions of dollars in needless expenditures to the public had been accrued by the acquisition of sound structures which could have been used in connection with a program. Some of these structures were valued at amounts approaching a million dollars and the deficiencies in those structures, on the basis of which they were declared substandard, were no more than items which could be taken care of in normal annual maintenance. Yet the Comptroller General found in structure after structure this kind of arbitrary assessment of deficiencies had been used to characterize a building as substandard paving the way for acquisition and demolition.

The Clerk read as follows:

Amendment offered by Mr. Dowdy: At page 56, after line 13, insert the following new section:

"RELOCATION PAYMENTS

"SEC. 311. Section 114(b) is amended to read as follows:

"(b) a local public agency—

"(1) shall pay to any displaced business concern or nonprofit organization, its reasonable and necessary moving expenses and any actual direct losses of property, except goodwill or profit; provided, that such payment shall not exceed \$3,000 (or if greater, the total certified actual moving expenses); and

"(2) may pay to any displaced business concern or nonprofit organization, an additional \$1,500 in the case of a private business concern with annual net earnings of less than \$10,000 per year which (A) was doing business in a location in an urban renewal area on the date of local approval of the urban renewal plan (or of acquisition of real property under the third sentence of sec. 102(a)), (B) is displaced on or after January 27, 1964, and (C) is not a part of an enterprise having establishments outside the urban renewal area.

"Notwithstanding the provisions of clause (1) of the preceding sentence, a business concern which is not being displaced from an urban renewal area shall be eligible for payments under such clause (1) of its certified moving expenses with respect to its outdoor advertising displays being removed from the urban renewal area in the same manner as though such business concern were being displaced."

And redesignate the succeeding sections accordingly.

Mr. DOWDY. Mr. Chairman, the amendment which I have offered is essential if thousands of small businesses

are to be treated with justice and fairness under the urban renewal program. The amendment provides that within urban renewal areas there shall be paid to displaced businesses the total amount of actual certified moving expenses, regardless of the amount of those expenses. There is no intent in this amendment that any person receive any special benefits or privileges, but that businesses merely be made whole for their out-of-pocket costs when they are forced to move because of urban renewal. At the present time, under regulation, a displaced business cannot be reimbursed more than \$25,000, regardless of what amount he must spend to move his business.

The purpose of this amendment is to assure that displacees will be reimbursed for their actual certified moving costs when they are compelled, by reason of an urban renewal plan, to move to another location. There is no justifiable basis on which, as a part of a public program, some businesses may receive the full amount of their moving costs, and other businesses likewise compelled to move, are reimbursed only part of their actual moving costs. If the program is for the benefit of the public, those who are displaced should not be compelled to pay a subsidy to urban renewal over and above that paid by others. Their losses from disruption of business can be staggering enough without being forced to bear additional costs for benefit of the program.

It may be noted that some businesses have been forced or will be forced to move the second time with allowance of only part of their actual moving costs. I do not believe that any Member of this body would go before the public and advocate that such a procedure of urban renewal has any of the elements of fairness and justice. In hearings before the subcommittee of which I was chairman, one displacee, had moving costs far in excess of the allowance paid by the renewal agency. After the costs of the first move, the loss of business, inconvenience, and the expenditure of thousands of dollars for the erection of a new structure, he is threatened with a second dislocation by urban renewal. He stated that if he were forced to move again he thought he would go to New Zealand.

The economic shock of urban renewal on small businesses cannot be denied. The facts are too well documented. In testimony before the House Small Business Committee, the Administrator of the Small Business Administration stated that 3 out of each 10 businesses displaced by urban renewal do not survive. He estimated that 30,000 businesses might be put out by urban renewal between now and 1972.

It is not uncommon to find that 40 percent or more of the businesses displaced by urban renewal in a community do not survive. Those who do continue often have serious business losses. Small Business Administrator Foley cited the experience of the businesses displaced by urban renewal in Providence, R.I. There 40 percent did not survive. Very

small businesses which did relocate experienced a 60-percent drop in income. Medium small businesses had a loss of 32 percent in income. Larger small businesses suffered income losses of 34.7 percent.

In hearings before my subcommittee of the House District Committee, witnesses were confronted with similar facts about local displaced businesses. A remedy suggested was legislation providing for the payment of subsidies to businesses displaced by urban renewal. This means on one hand you operate a federally subsidized program to put small businesses out of business and then apply more subsidies to put them back in business.

The amendment I have presented does no such thing. All this amendment says is that whatever cost a business is compelled to pay because of the urban renewal program will be repaid to the displaced business in full. That is the only honest, just and fair thing to do.

The executive director of the District of Columbia Redevelopment Land Agency testified on business problems under urban renewal on June 8 this month before the House Small Business Committee. He stated—and I quote:

In my opinion the greatest deficiency in redevelopment regulations—as they are now administered—is the \$25,000 limitation on business relocation payments.

The amendment which I have presented will remedy this situation. On the ground of plain American fair play, it should be approved overwhelmingly by the House.

The Clerk read as follows:

Amendment offered by Mr. Dowdy: at page 56, following line 4, insert the following new section:

"STANDARDS OF ELIGIBILITY FOR URBAN RENEWAL AREAS

"SEC. 310. Section 106 of the Housing Act of 1949 is amended by adding at the end thereof (after the new subsection added by section 309 of this Act) the following new subsection:

"Notwithstanding any other provision of this title, no new contract for a loan or capital grant under this title with respect to any project in an urban renewal area shall be entered into with any local public agency unless the local public agency shall have furnished satisfactory evidence to the Administrator that the standards used for finding and declaring such area suitable for urban renewal shall, in the case of housing, building, health, and public safety codes and regulations, be in accordance with the housing, building, health, and public safety codes and regulations of the locality."

And redesignate the succeeding sections accordingly.

Mr. DOWDY. Mr. Chairman, this amendment would make sure that urban renewal planners would not overrule city codes and regulations; thus, homeowners on opposite sides of the same street, dividing a project area from another area, would all be governed by the same codes. Unfortunately, this Congress will be in session only 5 or 6 months longer this year, so we must be limited to only 45 minutes for consideration of amendments to the last 100 pages of this bill containing dozens of sections.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Texas [Mr. Dowdy].

The amendments were rejected.

H. R. 7984

Mr. McGRATH. Mr. Chairman, I am in favor of this bill—all of it. I voted for it in Committee and expect to vote for its passage.

I would like to call attention to the provisions in the bill which I consider of special importance. These are the new aids to housing for the elderly.

The older age group is growing more rapidly than the population as a whole. Many retired people live in my district—especially in Atlantic City. I am well acquainted with their problems. Many of them live in housing that is far from adequate for their needs.

Generally speaking, their incomes are substantially lower than those of other families. These elderly people do not have the ways and means of increasing their incomes that younger families have. Many cannot afford decent housing. Most of them have made substantial contributions to their country during their productive years. They deserve to have adequate housing during their autumn years.

Of most significance are the provisions in the bill to provide rent supplements for elderly persons of low or moderate incomes. Over 100,000 elderly with incomes of \$3,000 to \$5,000 would be provided with decent housing under the rent supplement provisions. They would have to pay one-fourth of their incomes as rent. The Federal Government would make up what is required over that amount to pay the fair market rental for the housing. Without this help, many of these elderly will continue to live in substandard housing.

The direct loan program for housing for the elderly would be continued for 4 years. The limit on the amount of appropriations that can be made for loans under this program would be lifted, in order to assure that there is ample authority for appropriations for loans.

Most important, however, is the reduction of the interest rate on these loans to not more than 3 percent per annum. Under the present law, the interest rate on the loans is 3¾ percent and is expected to rise to 4 percent at the beginning of the new fiscal year.

This lower interest rate would reduce the monthly debt service on a typical \$12,000 dwelling unit by around \$6. A corresponding reduction could be made in the monthly rents charged for these dwelling units. Compared to conventionally financed projects this program can reduce rents by \$20 a month.

The bill also provides additional public housing for the low-income elderly families. Somewhere between 20 and 25 percent of the present low-rent public housing is occupied by the elderly.

These dwelling units for the elderly are specially designed for them. For example, they are provided with nonskid floors and levers instead of knobs on doors and faucets. Kitchens and baths are planned for more safe use by the elderly. Many of the projects have space

for activities and entertainment of the tenants. This leads to a happier and fuller life for our senior citizens.

The bill would continue for 4 years the mortgage insurance programs administered by the Federal Housing Administration and the Farmers Home Administration for rental housing for the elderly. These too are important tools for providing housing for our elders—both in town and in rural areas. They are means of encouraging private investment in elderly housing that would otherwise go into other investments.

Another provision in the bill of special interest to elderly would authorize grants to homeowners in urban renewal areas who are required to rehabilitate their homes to bring them up to the required standards.

Without these grants, many elderly people will be forced to move from their homes because they cannot afford to pay for the necessary repairs. The bill would remove a real hardship to elderly persons who have paid for their homes over the years with the expectation that they would have a place to live during the last years of their lives when their incomes are low.

Because of these provisions for the elderly, and because the bill does much more to provide decent homes and good communities, I urge that it be approved by the House.

Mr. BINGHAM. Mr. Chairman, I should like to address a question to the distinguished ranking minority member of the subcommittee with regard to subparagraph (1) of section 23(d), which appears on page 11 of the bill, beginning on line 13.

I am somewhat troubled by the fact that under this provision it will be up to the owner to select those tenants who will not be paying the full rental for their accommodations. Judging from the situation in my district, where there is a far greater demand for public housing accommodations than the available supply, there will be great pressure from potential tenants for admission to the private accommodations under this section, and consequently there may be abuses—kickbacks and the like—in the selection of tenants. I would like to know specifically whether, in the opinion of the minority member of the subcommittee, the selection of tenants under this subsection shall be carried on under the supervision of the public housing agency involved and whether the selections made would be subject to its approval.

Mr. WIDNALL. The answer is in the affirmative.

Mr. WATSON. Mr. Chairman, it is difficult for one to remain long in Washington and retain his sensibility to shock, particularly in view of some of the fantastic proposals made by the administration. But I daresay that even the wildest of dreamers could not have been prepared for some of the proposals in the pending bill, particularly the rent supplement provisions.

My first impression was to dismiss such a suggestion as ridiculous, little dreaming that a committee of this body would dare bring such a proposition to

the floor for serious consideration. Yet here we are in that situation and my sensibility to shock has been lessened by a few more degrees.

Pray tell us what will next be proposed for subsidization? Will it be the house at the beach, or in the mountains? Will it be the family automobile, or perhaps the second family car? Or will it be the family TV set so that the occupant of the White House can be assured that his message reach all the people all the time?

You know as well as I that this measure has stamped on it in bold letters, "I want votes." It is another poorly masked bid for guaranteed, everlasting success at the ballot box by the unfettered wasting of public funds. And, more importantly, it is designed to accomplish in sinister fashion many of the administration's goals in the field of "social reform." The minority report has used the term "across-the-board economic integration." I fully believe the objectives are more far reaching than that.

The rent supplement feature is not the only undesirable provision of this bill but that proposition has served as a smokescreen to divert close examination of other parts of the bill during this debate. With every fiber of my being, I urge you to eliminate this so-called experiment, this \$8 billion experiment, from the bill.

Mr. DANIELS. Mr. Chairman, I rise in support of H.R. 7984, the Housing and Urban Development Act of 1965.

I shall take only a few minutes time to go on record in support of this singularly worthwhile measure. The substance of this bill has been well explained by the gentleman from Texas [Mr. PATMAN] and the gentleman from Pennsylvania [Mr. BARRETT] who in his first attempt at presenting an omnibus housing bill has done a truly outstanding job.

I represent an area where almost all the features of this bill will be very popular but I am not supporting this bill merely because it is good for Hudson County—although it certainly is that—but rather because this bill is good for America.

Eight million Americans live in housing that is considered to be substandard and the reason in almost every case is the same—they cannot afford better housing. This bill proposes to do something about this situation.

The most controversial feature of this bill is contained in title I, section 101, the so-called rent supplement provision which President Johnson has called "the most crucial new instrument in our effort to improve the American city."

It is important for us to remember that this will apply to privately constructed housing. In this way, Mr. Chairman, we shall insure that decent housing is provided for millions of Americans who otherwise would be living in substandard homes without threatening the home building industry which provides some 5 percent of our gross national product.

It is significant to note in this bill that the tenant would pay 25 percent of

his income for rent as contrasted with 20 percent or less in public housing.

In public housing, the average unit requires a subsidy of about \$58 a month. The distinguished chairman of the Banking and Currency Committee, Mr. PATMAN, has estimated that the average rent supplement will amount to \$40 per month per unit.

I would also like to point out that this bill also includes an adequate provision for the continuation of our programs for the construction of public housing units. This bill authorizes the construction of an additional 60,000 units a year for the next 4 years or a total of almost one-quarter million units.

This bill also provides for low interest loans to nonprofit groups for the construction of homes for the elderly; extends FHA insurance programs for 4 years; authorizes a new program for providing FHA mortgage insurance of private loans to private subdivision developers who may or may not be home builders and provides an additional \$2.9 billion over the next 4 years for the urban renewal program.

H.R. 7984 also provides for increased compensation for condemned property owners and for the construction of additional college housing to help ease the strain on our colleges and universities.

This bill also authorizes matching grants to local public bodies to finance 50 percent of construction costs of basic public water and sewage facilities and two-thirds of the construction cost of neighborhood facilities.

These are only some of the outstanding provisions of this bill which I heartily recommend for passage.

In his second inaugural address, President Franklin Delano Roosevelt called attention to the fact that one-third of the Nation was "ill fed, ill clad, ill housed: I would like it said of my second administration that these forces met their master." Thirty years later, we have a chance to help finish the task that this great man started. This bill gives every Member of this House an opportunity to strike a blow for a better America.

I commend all who have had a hand in drafting this bill which will do so much for those for whom we have done not nearly enough. We have spent billions to raise the standard of living for people around the globe. And I am not one to say that this is not a worthwhile endeavor. Today, however, we are going to do just a little something for those people who are literally the salt of the earth—the Americans in the middle and lower income brackets.

For a better life for all, I urge all Members to support H.R. 7984.

Mr. DERWINSKI. Mr. Chairman, this rent subsidy plan should properly be labeled as an "antihomeownership" program since it would frustrate middle-income families who are purchasing their homes and making mortgage payments without the benefit of a Federal subsidy.

One of the great phenomena of the post-World War II period has been the growth of homeownership. The dream of homeownership has motivated millions of Americans to purchase and pay

for homes of their own. It is completely contradictory to embark on a massive, costly, unworkable rent subsidy program of the kind before us.

Of all the legislative hallucinations of the Great Society, this one takes the cake. It is an insult to the intelligence of the public, a direct thievery of the taxpayers, and makes a mockery of the thrifty citizen who is purchasing his own home. It sets up a potential boondoggle of Federal funds that will rival the costly and ill-conceived farm subsidies.

As a former member of the House Banking and Currency Committee, I urge House Members to reject the rent subsidy proposal.

Mr. ASHLEY. Mr. Chairman, the minority views attacking the rent supplement program insist that the American public will not "buy" this program. It is charged that this program is foreign to American concepts.

Just which Americans do they mean will be against this new program?

They cannot mean our labor union members, for the supplement approach has been endorsed by housing spokesmen for the AFL-CIO.

They cannot mean our senior citizens, for the supplements have been endorsed by several groups representing the elderly, including the American Association of Homes for the Aging, the National Council on the Aging, and National Council of Senior Citizens.

They cannot mean those in the cooperative movement, because the supplements are strongly endorsed by the Cooperative League of the USA.

They cannot be referring to builders of new or rehabilitated housing because the program is endorsed by the General Improvement Contractors Association as well as by the National Association of Home Builders.

They cannot be referring to the Nation's bankers because the American Bankers Association has endorsed the program, as has the far-sighted National Association of Mutual Savings Banks, which reaffirmed its support in a telegram I received this morning.

They cannot mean the mayors of our cities, for the rent supplement program has been endorsed by mayors like Robert Wagner of New York, Theodore McKeldin of Baltimore, and others.

They cannot mean the social service people who know the problems of the poor, for the program has been supported by the National Federation of Settlements, the National Conference of Catholic Charities, the Community Service Society, and others.

I know of no testimony from any group or individuals who said this rent supplement program is contrary to American concepts.

I can recall no other new housing program which received such general support.

As a matter of fact, seldom does any housing proposal receive support from such a broad range of organizations and interests.

The minority report chose to ignore these facts. Small wonder that they describe their report as a minority view.

Mr. CLEVELAND. Mr. Chairman, with the exception of the curious and un-

fair rent supplement plan, H.R. 7984, the Housing and Urban Development Act of 1965, represents a fine bipartisan effort to help provide the means by which every American can acquire a decent home in wholesome surroundings. I firmly believe that when this goal is achieved, family life in America will be strengthened and this of itself may well cause the crime rate and even the disease rate to go down dramatically.

The rent supplement proposal is entirely the administration's. The Democrats are welcome to claim it for their own. Republicans had nothing to do with it and I oppose it vigorously. It makes no sense at all to me for the Federal Government to pay any part of the rent for persons whose incomes are more than triple the \$3,000 a year poverty level established by the administration. Yet this would be possible under the administration's original proposal. The Stephens amendment, which would modify the original plan to some degree, is still unsatisfactory. It is regrettable that this radical proposal should be lumped into this omnibus bill but, of course, it is clear this was done because the proposal could not probably live a life of its own. I hope the next Congress will undertake to knock out this feature.

It is unfortunate that the controversy over this section has obscured the rest of this bill. Although I am not a member of the Committee on Banking and Currency, which drafted the bill, I am proud of the work the Committee has done. In particular, I am proud of my party for the key role it has played in the formation of this bill.

Republican-originated features include:

First. A new FHA mortgage insurance program for all veterans who have not yet used their entitlements under existing Veterans' Administration loan programs. An estimated 21 million veterans would be eligible under the program, if it is accepted by the Senate. A veteran would need no down payment on housing up to \$20,000 in value and would pay only a 5-percent down payment on a house which is worth \$30,000, which is the FHA maximum.

Second. The first comprehensive program for uniform and fair "eminent domain" procedures where property is taken under a federally assisted urban renewal or housing program. This includes a very important provision for the immediate award to the property owner of 75 percent of the appraised value of the property taken, even if he goes on into court to contest the full award. This will protect many individuals from bankruptcy or from the necessity of going into heavy debt in order to relocate and protect their businesses.

Third. Additional funds for the low-interest urban renewal rehabilitation loan program begun last year to assist the tenant, homeowner and small businessman to upgrade his property instead of losing it to the bulldozer.

Fourth. A new, Republican approach to public housing, which would use existing private rental housing on a voluntary basis for those qualifying for public housing. Both income and rental levels

would be confined to present public housing standards. This new approach avoids costly construction, keeps property at full value on the local tax rolls, and provides immediate relief in many areas for those now faced with long waiting lists for conventional public housing. As many as 100,000 units over the next 4 years could be made available under the bill.

Fifth. Three percent interest rates for the highly successful college and elderly housing loan programs, which enables these programs to continue serving areas of need at reasonable rental levels.

Sixth. Improvements in the urban renewal program, particularly through new relocation assistance provisions which feature a new small-business lease guarantee program for those forced to move as a result of an urban renewal project.

Seventh. Increases in mortgage limits for homes in rural outlying areas from \$11,000 to \$12,500 under the FHA program.

Eighth. Numerous other perfecting contributions to housing programs including elimination of the "new towns" proposal and encouraging greater participation by private enterprise.

This then, Mr. Chairman, truly can be called a major, bipartisan housing bill, with the reservation noted above. I am glad to support it.

Mr. WOLFF. Mr. Chairman, contrary to popular belief, this country, the land of the free and the home of the brave, this Nation of unprecedented wealth, is covered with blemishes.

Any cursory examination of our Nation reveals pockets of slums, pockets of decrepit housing and impoverished people who live in despair, pockets of people who are mired in the repetitive cycle of ignorance and poverty.

These slums are the incubators of a myriad of ills which by their very nature perpetuate their genesis. Statistics about these slums reveal a high incidence of disease, crime, poverty, and school dropouts. Case histories are replete with broken homes and welfare payments; slum lords from distant environments reap their wealth from the misery of others. This cancerous sore not only engulfs surrounding areas, but preys on whole populations. The violent and vicious world of the slum spills over and people remote from these conditions are attacked by the products and inhabitants of the slums. The crime which festers in the slums bursts forth into black headlines of murder, assault, theft. Who dares walk the back streets of our major cities at night?

Mr. Chairman, the overriding policy of my decisions as a Representative shall always be to get at the cause of the problems that afflict us. Votes to slow down their growth—to offer vacant platitudes which at the most offer momentary respite—are not adequate. This body owes a responsibility, a duty, to hit at the cause and rid this country of this blight. We cannot afford nor must we allow the continuation of welfare as a nonvariable or as a cure-all.

This country has instituted a public housing program. Need I belabor the point that this program has not proven

adequate? One can espouse with certainty that public housing offers no chance nor possibility to meet the needs of this country, present or future. One statistic is the epitome of the situation—there is today a backlog of 500,000 applicants for public housing. That this picture can be bleaker is truly frightening—but bleaker it is—the backlog is increasing, not decreasing.

I voted for the housing bill, and for section 101 which provides for certain rent subsidies for eligible poor families, because I feel that every path must be explored to get at the root causes of poverty and its attendant evils. The rent subsidy program, by enabling poor families to live in adequate housing, may provide the key to free thousands of Americans from the crushing oppression of a life in the slums, the life from which crime springs.

Prior to yesterday I was opposed to section 101 because I felt that people not entitled to this kind of help would benefit from it. The section itself was too broad.

However, with the new amendment making only those who qualify for public housing eligible under section 101, and restricting the program only to the aged, the indigent, and those currently living in slums, I felt that the measure now compels support as a possible way out for many of our people now living under the most wretched conditions.

Mr. Speaker, the necessities of life are food, clothing, and shelter. The denial of these necessities invite consequences that must be avoided. The future of America depends upon the houses we live in and worship in—and both must be available.

Mr. ROYBAL. Mr. Chairman, I rise in support of the enactment of H.R. 7984, the Housing and Urban Development Act of 1965.

While we are considering this measure to assist in the provision of housing for low- and moderate-income families, to promote orderly urban development, to improve the living environment in urban areas, and to extend and amend laws relating to housing, urban renewal, and community facilities, we should bear in mind the solemn congressional declaration in the Housing Act of 1949 that:

The general welfare and security of the Nation and the health and living standards of its people require housing production and related community development sufficient to remedy the serious housing shortage, the elimination of substandard and other inadequate housing through the clearance of slums and blighted areas, and the realization as soon as feasible of the goal of a decent home and a suitable living environment for every American family, thus contributing to the development and redevelopment of communities, and to the advancement of the growth, wealth, and security of the Nation.

Mr. Chairman, in my opinion, the legislation we are considering today can provide a sound and comprehensive framework for carrying out the objectives and fulfilling the promise of that congressional declaration.

It is certainly significant, and most interesting, that all the major established programs in the housing and urban development field, such as public housing, FHA insurance, urban renewal, college

housing, and community facilities, which used to arouse such vocal opposition on the ground that they were allegedly foreign to American concepts, would kill the incentive of the American family, and would lead us toward a socialistic way of life, have this year caused little or no discussion, much less opposition.

This rather surprising fact stands as quiet but eloquent testimony to the almost universal acceptance of the important role of the Federal Government in assisting local communities meet the challenge of urban growth and expansion.

Another example of this developing consensus is the recent House passage of President Johnson's proposal to create a new Cabinet-level Department of Housing and Urban Development to serve as a focal point of Federal concern for such problems of rapid metropolitan growth as sharply rising local tax rates, providing efficient mass transportation systems, building adequate housing, expanding educational opportunities, assuring effective air and water pollution control, and providing recreation and all the related necessities of modern urban life in the latter half of the 20th century.

This expression of House support for the President's proposal reversed a 264-to-150 defeat in 1962 of a similar administration plan, and is of particular importance to the residents of southern California, where population is expected to triple from 10 million to over 30 million within the next 35 years.

The problems of urbanization, of course, are not confined to Los Angeles or the State of California. In the Nation at large, whereas more than half our citizens lived on farms or in rural areas at the turn of the century, today some 70 percent live in metropolitan centers. And by the year 2000, the Nation's population will have increased to about 350 million, of which nearly 80 percent will be concentrated in urban areas.

Times certainly change, and the face of America changes along with everything else. In 1862, as the rich farming regions of the West were opening up, the Federal Government established the Agriculture Department to assist in that historic development. So now, more than a hundred years later, I feel it is time to direct the Nation's attention toward providing effective assistance to the vast majority of our citizens who today live and work in our burgeoning cities.

Mr. Chairman, in the legislation now before the House, the only apparent real opposition has been voiced with regard to the President's proposed new rent supplement program, which he has characterized as "the most crucial new instrument in our effort to improve the American city."

I heartily agree with President Johnson in this matter, for I believe the rent supplement program is an imaginative and forward-looking new housing tool that can be of tremendous benefit to the segment of our population whose income and financial situation now prevents them from obtaining decent housing in today's market conditions.

As such, this program can become an essential element in our national effort to mobilize the country's human and financial resources to attack the basic causes of poverty and high unemployment among America's 30 million disadvantaged citizens.

Considered as part of the new economic opportunity program, the rent supplement proposal may well offer a promising new approach to solving the tragic paradox of extreme poverty in the midst of an alltime record prosperity for most Americans.

Basically, the proposal is fairly simple. The housing built under the new program would be privately sponsored, privately built, and privately financed under FHA—and FHA regulations assure that it will be of sound and modest design. Eligible families will be those within the public housing income range who, in addition, are elderly or handicapped, displaced by Government action such as urban renewal or highway construction, or who are now living in slum housing. The supplement, itself, will be the difference between one-fourth of the family's income, which it would pay as rent in the normal manner, and the fair market rental of the unit as approved by FHA.

Thus, it is essentially a private enterprise program, with supplemental Federal assistance provided through partial rent payments to help meet the housing problems of our low income families. The housing would be modest in design and no luxury-type housing would be permitted.

Overall, the rent supplement program would accomplish a number of things. It would make a net addition to the supply of decent housing available to low-income groups. It would enlist the energy and imagination of churches, unions, and civic-minded private citizens. It would complement the existing public housing program and offer low-income families another alternative to their present limited choice between slums or regular public housing. It would substantially reduce the impact on the Federal budget of direct Government financing of the whole cost of a unit. And it would provide a flexible formula that would extend aid to families when they need it, curtail that aid when their incomes rise, and terminate it when they could afford housing on their own, without the painful necessity of evicting them as is the case in public housing.

Since there are now approximately 500,000 eligible families already on the waiting list for admission to public housing, it is obvious that the President's proposal will fill an urgent need by speeding the day when low-income families, now unable to afford decent housing, can move into better homes with Federal assistance.

During this debate we have heard the rent supplement plan denounced as just another Government handout or subsidy to one economic class in America, and that it would lead us straight down the path to socialism, if not worse.

For that reason, I think it might be profitable to spend a moment or two in considering the subject of subsidies in

the housing field in America, and, by extension, the general subject of the principle of Government subsidy in American life.

First of all, the President's rent supplement proposal would by no stretch of the imagination be the first Federal subsidy to private housing, nor would it be by any means the largest.

As a matter of fact, almost every kind of housing now receives a Federal subsidy, direct or indirect.

The most significant Federal subsidy to housing is, of course, the income tax deduction for mortgage interest. It is a subsidy to the economic classes that can afford to buy houses.

In addition, housing for veterans, for old people and for farmers, is subsidized. There are public housing programs for the very poor; the Federal Housing Administration provides mortgage insurance for one-family dwellings for the middle class; even luxury apartments for upper-income citizens often get an indirect subsidy under the urban renewal program.

The question, then, is not whether this country intends to subsidize its citizens' shelter. That was settled a generation ago. The current question is whether the country intends to subsidize the poor as widely as it does the wealthy, and whether it intends to subsidize the renters as well as the buyers.

Now, to look for a moment beyond the field of housing, it is easy to trace a consistent pattern of Federal Government subsidy as an integral, and indeed an essential, part of the history of the economic development and prosperity of America.

One of the earliest kinds of subsidy in the United States, and one which is still very much with us, is the tariff on goods produced outside the country. Tariff laws were enacted and have stayed on the books since the 18th century in an effort to protect U.S. industry and agriculture by reducing or eliminating competition from foreign-made products.

But this Government-enforced subsidy is paid for directly out of the pockets of American consumers in the form of higher prices they must pay in the marketplace for each of these protected commodities.

And we are only too familiar with the present multi-billion-dollar annual agricultural subsidy American taxpayers pay to U.S. farmers who produce our overabundance of food and fiber.

So, too, even a cursory reading of American history will also remind us of the many hundreds of thousands of acres of land given to the railroads of this country as a direct land subsidy to promote the population and development of the West. This subsidy was also paid for by every citizen through a proportionate diminution and reduction in the public domain.

Major current Government subsidies are found in the Federal Internal Revenue Code in the form of special exemptions, deductions, and similar tax concessions and advantages granted by law to certain classes of citizens.

One outstanding example of this kind of Government subsidy is the Federal

tax treatment accorded income from oil and gas resources. Taxpayers with such income are eligible for an annual 27-percent depletion allowance, which, according to an authoritative 1963 Brookings Institution study, saves these taxpayers between \$1.5 and \$2 billion every year.

In other words, the U.S. Treasury loses from \$1.5 to \$2 billion in revenue each year because of the special 27-percent depletion allowance granted the relatively few taxpayers with income from oil and gas sources. This Government tax subsidy, therefore, is paid directly out of U.S. Treasury funds by all other American taxpayers whose tax bills would otherwise be, dollar for dollar, that much less.

Another multi-billion-dollar annual Government subsidy is given to corporations—generally the larger and more prosperous ones—in the form of patent rights to the commercially profitable discoveries and inventions that result from Federal research and development contracts.

A large share of this lucrative patent subsidy goes to firms with Government military or space contracts, but taxpayer-sponsored R. & D. contracts range into every conceivable field of human endeavor. In fact, total Federal outlays for research and development are estimated to be somewhere in the neighborhood of \$12 to \$13 billion a year—far more than half the entire annual R. & D. spending from all sources, both public and private.

To take another specific industry as an example, commercial aviation has been subsidized by the Federal Government since its very infancy in the early decades of this century, and, in one way or another, will probably always be the recipient of taxpayer largess.

In this case, the subsidy has been paid through profitable Government mail delivery contracts, and, to the larger domestic and international trunklines who no longer receive direct subsidy, through the granting of Government-protected franchises to operate over choice commercial air routes where passenger and freight traffic growth potential almost guarantees a highly remunerative business future, shielded from the normal competitive hazards of the American free enterprise system, and virtually assured of a comfortable rate of return.

Now, the Federal Government has just ordered a speed-up in its development effort toward building an American supersonic airline transport, so that our commercial aviation industry will be in a better position to compete for future business with similar planes produced in Europe or Russia.

What is involved here is a \$1 to \$2 billion expenditure of taxpayers' money for research, development, test, and evaluation to produce an aircraft for commercial use after our U.S. airlines and aircraft manufacturers flatly refused to shoulder the financial responsibility because they considered the project too expensive and risky for private industry to handle alone.

In conclusion, Mr. Chairman, I have cited these various examples of Government subsidy to indicate that there has been a rather consistent historic pattern of Federal subsidization, not only in the housing field, but in nearly every other area of America's economic development and prosperity.

So I believe we can safely discount the opposition to President Johnson's rent supplement proposal that is based on the contention that a housing subsidy for America's poorest classes would somehow be un-American and contrary to our historic traditions.

Rather, I feel that this proposal can become an important element in our overall, comprehensive effort to meet the urgent housing needs of our fast-growing Nation.

With that thought, therefore, I strongly hope the Members of this House will today give their support to the President's rent supplement plan, and will join me in voting for the administration's Housing and Urban Development Act of 1965, as a major step toward achieving the magnificent goals outlined in the congressional housing declaration of 1949.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. FLOOD, 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. 7984) to assist in the provision of housing for low- and moderate-income families, to promote orderly urban development, to improve living environment in urban areas, and to extend and amend laws relating to housing, urban renewal, and community facilities, pursuant to House Resolution 425, 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?

Mr. WIDNALL. Mr. Speaker, I demand a separate vote on section 101 as amended.

The SPEAKER. Is a separate vote demanded on any other of the amendments? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The Clerk will report the amendment on which a separate vote is demanded, the Stephens amendment.

The Clerk read as follows:

Strike out section 101 (beginning on page 2, line 3, and ending page 7, line 7) and insert the following:

"FINANCIAL ASSISTANCE TO ENABLE CERTAIN PRIVATE HOUSING TO BE AVAILABLE FOR LOWER INCOME FAMILIES WHO ARE ELDERLY, HANDICAPPED, DISPLACED, OR OCCUPANTS OF SUBSTANDARD HOUSING

"Sec. 101. (a) The Housing and Home Finance Administrator (hereinafter referred to as the 'Administrator') is authorized to make, and contract to make, annual payments to a 'housing owner' on behalf of 'qualified tenants', as those terms are defined herein, in such amounts and under such

circumstances as are prescribed in or pursuant to this section. In no case shall a contract provide for such payments with respect to any housing for a period exceeding forty years. The aggregate amount of the contracts to make such payments shall not exceed amounts approved in appropriation Acts and shall not exceed \$30,000,000 per annum prior to July 1, 1966, which maximum dollar amount shall be increased by \$35,000,000 on July 1, 1966, by \$40,000,000 on July 1, 1967, and by \$45,000,000 on July 1, 1968.

"(b) As used in this section, the term 'housing owner' means a private nonprofit corporation or other private nonprofit legal entity, a limited dividend corporation or other limited dividend legal entity, or a cooperative housing corporation, which is a mortgagor under section 221(d)(3) of the National Housing Act and which, after the enactment of this section, has been approved for mortgage insurance thereunder and has been approved for receiving the benefits of this section: *Provided*, That no payments under this section may be made with respect to any property financed with a mortgage receiving the benefits of the interest rate provided for in the proviso in section 221(d)(5) of that Act.

"(c) As used in this section, the term 'qualified tenant' means any individual or family who has, pursuant to criteria and procedures established by the Administrator, been determined—

"(1) to have an income below the maximum amount which can be established in the area, pursuant to the limitations prescribed in section 2(2) of the United States Housing Act of 1937, for occupancy in public housing dwellings; and

"(2) to be one of the following—

"(A) displaced by governmental action;
 "(B) sixty-two years of age or older (or, in the case of a family, to have a head who is, or whose spouse is, sixty-two years of age or over);

"(C) physically handicapped (or, in the case of a family, to have a head who is, or whose spouse is, physically handicapped); or
 "(D) occupying substandard housing.

"(d) The amount of the annual payment with respect to any dwelling unit shall not exceed the amount by which the fair market rental for such unit exceeds one-fourth of the tenant's income as determined by the Administrator pursuant to procedures and regulations established by him.

"(e) (1) For purposes of carrying out the provisions of this section, the Administrator shall establish criteria and procedures for determining the eligibility of occupants and rental charges, including criteria and procedures with respect to periodic review of tenant incomes and periodic adjustment of rental charges. The Administrator shall issue, upon the request of a housing owner, certificates as to the following facts concerning the individuals and families applying for admission to, or residing in, dwellings of such owner:

"(A) the income of the individual or family; and

"(B) whether the individual or family was displaced by governmental action, is elderly, is physically handicapped, or is (or was) occupying substandard housing.

"(2) Procedures adopted by the Administrator hereunder shall provide for recertifications of the incomes of occupants, except the elderly, at intervals of two years (or at shorter intervals in cases where the Administrator may deem it desirable) for the purpose of adjusting rental charges and annual payments on the basis of occupants' incomes, but in no event shall rental charges adjusted under this section for any dwelling exceed the fair market rental of the dwelling.

"(3) The Administrator may enter into agreements, or authorize housing owners to enter into agreements, with public or private

agencies for services required in the selection of qualified tenants, including those who may be approved, on the basis of the probability of future increases in their incomes, as lessees under an option to purchase (which will give such approved qualified tenants an exclusive right to purchase at a price established or determined as provided in the option) dwellings or cooperative ownership interests therein, and in the establishment of rentals. The Administrator is authorized (without limiting his authority under any other provision of law) to delegate to any such public or private agency his authority to issue certificates pursuant to this subsection.

"(f) Section 101(c) of the Housing Act of 1949 is amended by inserting '(1)' after 'a mortgage under' in the first proviso and by inserting immediately before the colon at the end of such proviso the following: ', or (1) section 221(d)(3) of the National Housing Act if payments with respect to the mortgaged property are made or are to be made under section 101 of the Housing and Urban Development Act of 1965, except that no such mortgage shall be insured, and no commitment to insure such a mortgage shall be issued, with respect to property in any community for which a workable program for community improvement was required and in effect at the time a contract for a loan or capital grant was entered into under this title, or a contract for annual contributions or capital grants was entered into pursuant to the United States Housing Act of 1937, unless there is a workable program for community improvement which meets the requirements of this subsection in effect in such community at the time of such insurance or commitment'.

"(g) The Administrator is authorized to make such rules and regulations, to enter into such agreements, and to adopt such procedures as he may deem necessary or desirable to carry out the provisions of this section. Nothing contained in this section shall affect the authority of the Federal Housing Commissioner with respect to any housing assisted under this section and under section 221(d)(3) of the National Housing Act, including his authority to prescribe occupancy requirements under other provisions of law or to determine the portion of any such housing which may be occupied by qualified tenants.

"(h) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section, including, but not limited to, such sums as may be necessary to make annual payments as prescribed in this section, pay for services provided under (or pursuant to agreements entered into under) subsection (e), and provide administrative expenses.

"(i) Section 114(c)(2) of the Housing Act of 1949 is amended by inserting before the colon at the end of the first proviso the following: ', or a dwelling unit assisted under section 101 of the Housing and Urban Development Act of 1965'.

"(j) On or before January 1, 1968, the Administrator shall submit to the Congress a full report of operations under this section, together with his recommendations with respect thereto."

Mr. WIDNALL (interrupting the reading of the amendment). Mr. Speaker, I ask unanimous consent that the amendment be considered as read.

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

There was no objection.

The SPEAKER. The question is on the amendment.

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

Mr. WIDNALL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 240, nays 179, answered "present" 1, not voting 14, as follows:

[Roll No. 162]

YEAS—240

Adams	Greigg	O'Hara, Mich.
Albert	Grider	Olsen, Mont.
Anderson,	Griffiths	Olson, Minn.
Tenn.	Hagan, Ga.	O'Neill, Mass.
Annunzio	Hagen, Calif.	Ottinger
Ashley	Halpern	Patman
Aspinall	Hamilton	Patten
Bandstra	Hanley	Pepper
Barrett	Hanna	Perkins
Beckworth	Hansen, Iowa	Philbin
Bennett	Hansen, Wash.	Pickle
Bingham	Harris	Pike
Blatnik	Hathaway	Poage
Boggs	Hawkins	Powell
Boland	Hays	Price
Bolling	Hechler	Purcell
Brademas	Helstoski	Race
Brooks	Hicks	Randall
Brown, Calif.	Hollifield	Redlin
Burke	Holland	Reid, N.Y.
Burton, Calif.	Horton	Resnick
Byrne, Pa.	Howard	Reuss
Cabell	Hull	Rhodes, Pa.
Callan	Hungate	Rivers, Alaska
Cameron	Huot	Roberts
Carey	Ichord	Rodino
Celler	Irwin	Rogers, Colo.
Chelf	Jacobs	Rogers, Fla.
Clark	Jarman	Ronan
Clevenger	Jennings	Roncalio
Cohelan	Joelson	Rooney, N.Y.
Conyers	Johnson, Calif.	Rooney, Pa.
Cooley	Johnson, Okla.	Roosevelt
Corman	Jones, Mo.	Rosenthal
Craley	Karsten	Roybal
Culver	Karth	Ryan
Daddario	Kee	St Germain
Daniels	Kelly	St. Onge
Davis, Ga.	King, Calif.	Schisler
Dawson	King, Utah	Schmidhauser
de la Garza	Kirwan	Secret
Delaney	Kluczynski	Senner
Dent	Krebs	Sickles
Denton	Landrum	Sisk
Diggs	Leggett	Slack
Dingell	Lindsay	Smith, Iowa
Donohue	Long, Md.	Staggers
Dow	Love	Stalbaum
Dowdy	McCarthy	Steed
Dulski	McDowell	Stephens
Duncan, Oreg.	McFall	Stratton
Dyal	McGrath	Stubblefield
Edmondson	McVicker	Sullivan
Edwards, Calif.	Macdonald	Sweeney
Evans, Colo.	Machen	Tenzer
Everett	Mackay	Thompson, La.
Fallon	Mackie	Thompson, N.J.
Farbstein	Madden	Thompson, Tex.
Farnesley	Mahon	Todd
Farnum	Matsunaga	Trimble
Fascell	Matthews	Tunney
Feighan	Meeds	Tuten
Flood	Miller	Udall
Fogarty	Mills	Ullman
Foley	Minish	Van Deerlin
Ford,	Mink	Vanik
William D.	Moeller	Vigorito
Fraser	Monagan	Vivian
Friedel	Moorhead	Walker, N. Mex.
Fulton, Tenn.	Morgan	Watts
Fuqua	Morris	Weitner
Gallagher	Morrison	White, Idaho
Garmatz	Moss	White, Tex.
Giaimo	Multer	Willis
Gibbons	Murphy, Ill.	Wilson,
Gilbert	Murphy, N.Y.	Charles H.
Gonzalez	Natcher	Wolf
Grabowski	Nedzi	Wright
Gray	Nix	Yates
Green, Oreg.	O'Brien	Young
Green, Pa.	O'Hara, Ill.	Zablocki

NAYS—179

Abbitt	Arends	Berry
Abernethy	Ashbrook	Betts
Adair	Ashmore	Bolton
Anderson, Ill.	Ayres	Bray
Andrews,	Baldwin	Brock
George W.	Baring	Broomfield
Andrews,	Bates	Brown, Ohio
Glenn	Battin	Broyhill, N.C.
Andrews,	Belcher	Broyhill, Va.
N. Dak.	Bell	Buchanan

Burleson	Gubner	Pelly
Burton, Utah	Gursey	Pirnie
Byrnes, Wis.	Haley	Poff
Cahill	Hall	Pool
Callaway	Halleck	Pucinski
Carter	Hansen, Idaho	Quile
Casey	Hardy	Quillen
Cederberg	Harsha	Reid, Ill.
Chamberlain	Harvey, Mich.	Reifel
Clancy	Hébert	Reinecke
Clausen,	Henderson	Rhodes, Ariz.
Don H.	Herlong	Rivers, S.C.
Clawson, Del.	Hosmer	Robison
Cleveland	Hutchinson	Rogers, Tex.
Collier	Johnson, Pa.	Roudebush
Colmer	Jonas	Roush
Conable	Jones, Ala.	Rumsfeld
Conte	Kastenmeier	Satterfield
Corbett	Keith	Saylor
Cramer	King, N.Y.	Schneebell
Cunningham	Kornegay	Schweiker
Curtin	Kunkel	Scott
Curtis	Laird	Selden
Dague	Langen	Shriver
Davis, Wis.	Latta	Sikes
Derwinski	Lennon	Skubitz
Devine	Lipscomb	Smith, Calif.
Dickinson	Long, La.	Smith, N.Y.
Dole	McClary	Smith, Va.
Dorn	McCulloch	Stafford
Downing	McDade	Stanton
Duncan, Tenn.	McEwen	Talcott
Dwyer	McMillan	Taylor
Edwards, Ala.	MacGregor	Teague, Calif.
Ellsworth	Mailliard	Teague, Tex.
Erlenborn	Marsh	Thomson, Wis.
Findley	Martin, Ala.	Tuck
Fino	Martin, Nebr.	Utt
Fisher	Mathias	Waggonner
Flynt	May	Walker, Miss.
Ford, Gerald R.	Michel	Watkins
Fountain	Minshall	Watson
Frelinghuysen	Mize	Whalley
Fulton, Pa.	Moore	Whitener
Gathings	Morse	Whitten
Gettys	Mosher	Widnall
Gilligan	Murray	Williams
Goodell	Nelsen	Wilson, Bob
Griffin	O'Konski	Wyatt
Gross	O'Neal, Ga.	Wyder
Grover	Passman	Younger

The SPEAKER. The gentleman qualifies; the Clerk will report the motion.

The Clerk read as follows:

Mr. HARVEY of Michigan moves to recommend the bill (H.R. 7984) to the Committee on Banking and Currency with instructions to report the same back to the House forthwith with the following amendment: Strike out title I (beginning on page 2, line 1, and ending on page 18, line 10) and insert in lieu thereof the following:

"TITLE I—HOUSING FOR DISADVANTAGED PERSONS

"Extension of FHA section 221 programs; modification of interest rate; pooling of mortgages for sale

"SEC. 101. (a) The fifth sentence of section 221(f) of the National Housing Act is amended by striking out 'subsection (d) (2) or (d) (4) after September 30, 1965, or under subsection (d) (3) after September 30, 1965,' and inserting in lieu thereof 'this section after October 1, 1969.'

"(b) The proviso in section 221(d) (5) of such Act is amended by striking out 'not less than the annual rate of interest determined' and inserting in lieu thereof 'not less than the lower of (A) 3 per centum per annum, or (B) the annual rate of interest determined'.

"(c) Section 302(c) of such Act is amended by inserting before the last sentence thereof the following: 'If there shall be included within one or more of the trusts or other agencies created pursuant to the authority of this subsection any mortgages bearing a below-market interest rate and insured under section 221(d) (3) after the date of the enactment of the Housing and Urban Development Act of 1965, there are authorized to be appropriated from time to time such amounts as may be necessary to reimburse the Association for the amount of the differential (including interest, other costs, and a fair proportion of administrative expense) between (1) the total outlay with respect to outstanding participations or other instruments in an amount not to exceed the dollar amount of such below-market interest rate mortgages, and (2) the total receipts from such mortgages.'

"Low-rent housing in private accommodations

"SEC. 102. (a) The United States Housing Act of 1937 is amended by redesignating section 23 as section 24, and by adding after section 22 the following new section:

"Low-rent housing in private accommodations

"SEC. 23. (a) For the purpose of providing a supplementary form of low-rent housing which will aid in assuring a decent place to live for every citizen and promote efficiency and economy in the program under this Act by taking full advantage of vacancies or potential vacancies in the private housing market, each public housing agency shall, to the maximum extent consist with the achievement of the objectives of this Act, provide low-rent housing under this Act in the form of low-rent housing in private accommodations in accordance with this section where such housing in private accommodations can be provided at a cost equal to or less than housing in projects assisted under other provisions of this Act. As used in this section the term "low-rent housing in private accommodations" means dwelling units in an existing structure, leased from a private owner, which provide decent, safe, and sanitary dwelling accommodations and related facilities effectively supplementing the accommodations and facilities in low-rent housing assisted under the other provisions of this Act in a manner calculated to meet the total housing needs of the community in which they are located. As used in this section, the term "owner" means

any person or entity having the legal right to lease or sublease property containing one or more dwelling units as described in this section.'

"(b) Beginning as soon as practicable after the date of the enactment of this section, each public housing agency shall conduct a continuing survey and listing of the available dwelling units within the community or communities under its jurisdiction which provide decent, safe, and sanitary dwelling accommodations and related facilities and are, or may be made, suitable for use as low-rent housing in private accommodations under this section.

"(c) Each public housing agency, by notification to the owners of housing listed under subsection (b), or by publication or advertisement, or otherwise, shall from time to time make known to the public in the community or communities under its jurisdiction the anticipated need for dwelling units in such community or communities to be used as low-rent housing in private accommodations under this section, inviting the owners of such dwelling units to make available for purposes of this section one or more of such units (not exceeding 10 per centum of the units in any single structure except to the extent that the agency, because of the limited number of units in the structure or for any other reason, determines that such limit should not be applied). The public housing agency shall conduct appropriate inspections of the units offered to be made available in any residential structure by the owner thereof in response to such invitation, and if—

"(1) it finds that such units are, or may be made, suitable for use as low-rent housing in private accommodations within the meaning of subsection (a), and

"(2) the rentals to be charged for such units, as negotiated and agreed to by the agency and the owner of the structure in a manner consistent with subsection (d) (2), are within the financial range of families of low income.

such agency may approve such units for use as low-rent housing in private accommodations in accordance with (and subject to the applicable limitations contained in) this section. Each public housing agency shall maintain and keep current a list of units approved by it under this subsection, including such information with respect to each such unit as it may consider necessary or appropriate.

"(d) To the extent of contracts for annual contributions entered into by the Authority with a public housing agency under section 10(e), such agency may enter into contracts with the owners of structures containing dwelling units approved under subsection (c) for the use of such units in accordance with this section. Each such contract with an owner shall provide (with respect to any unit) that—

"(1) the selection of tenants for such unit shall be the function of the owner, subject to the provisions of the contract between the Authority and the agency;

"(2) the rental and other charges to be received by the owner shall be negotiated and agreed to by the agency and the owner, and the rental and other charges to be paid by the tenant shall be determined in accordance with the standards applicable to units in low-rent housing projects assisted under the other provisions of this Act;

"(3) the agency shall have the sole right to give notice to vacate, with the owner having the right to make representations to the agency for termination of a tenancy;

"(4) maintenance and replacements (including redecoration) shall be in accordance with the standard practice for the building concerned, as established by the owner and agreed to by the agency; and

ANSWERED "PRESENT"—1

Scheuer

NOT VOTING—14

Addabbo	Keogh	Springer
Bonner	Martin, Mass.	Thomas
Bow	Morton	Toll
Evins, Tenn.	Rostenkowski	Tupper
Harvey, Ind.	Shipley	

So the amendment was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Keogh for, with Mr. Bow against.

Mr. Thomas for, with Mr. Springer against.

Mr. Addabbo for, with Mr. Morton against.

Mr. Toll for, with Mr. Martin of Massachusetts against.

Mr. Shipley for, with Mr. Harvey of Indiana against.

Until further notice:

Mr. Evins with Mr. Rostenkowski.

Mr. ROBERTS changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

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.

MOTION TO RECOMMIT OFFERED BY MR. HARVEY OF MICHIGAN

Mr. HARVEY of Michigan. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. HARVEY of Michigan. I am, Mr. Speaker, in its present form.

"(5) the agency and the owner shall carry out such other appropriate terms and conditions as may be mutually agreed to by them.

Each contract between a public housing agency and an owner entered into under this subsection shall be for a term of not less than twelve months nor more than thirty-six months, and shall be renewable by such agency and owner at the expiration of such term.

"(e) The annual contribution under this Act for a project of a public housing agency for low-rent housing in private accommodations under this section in lieu of any other guaranteed contribution authorized by section 10 shall not exceed the amount of the fixed annual contribution which would be established under this Act for a newly constructed project by such public housing agency designed to accommodate the comparable number, sizes, and kinds of families. The period over which payments will be made to a public housing agency for a project of low-rent housing in private accommodations under this section, and the aggregate amount of such payments, under a contract for annual contributions, shall be determined on the basis of the number of units in the community or communities under the jurisdiction of such agency which are in use (or can reasonably be expected to be placed in use) as low-rent housing in private accommodations under this section, taking into account the terms of the leases under which such units are (or will be) so used. In addition, contracts for financial assistance entered into by the Authority with a public housing agency pursuant to this section shall provide for reimbursement of reasonable and necessary expenses incurred by such agency in conducting surveys, listings, and inspections described in subsections (b) and (c).

"(f) On or before January 1, 1968, the Authority shall submit to the Congress a full report of operations under this section, together with its recommendations with respect thereto."

"(b) The last sentence of section 2(1) of such Act is amended by striking out 'Income limits for occupancy and rents' and inserting in lieu thereof 'Except as otherwise provided in section 23, income limits for occupancy and rents'.

"(c) The provisions of sections 10(h) and 15(7) of the United States Housing Act of 1937, and the workable program requirement in section 10(e) of such Act and section 101 (c) of the Housing Act of 1949, shall not apply to low-rent housing in private accommodations provided under section 23 of the United States Housing Act of 1937.

"Low-rent public housing"

"Sec. 103. (a) Section 10(e) of the United States Housing Act of 1937 is amended by inserting after 'per annum,' the following: 'which limit shall be increased by \$47,000,000 on the date of the enactment of the Housing and Urban Development Act of 1965, and by further amounts of \$47,000,000 on July 1 in each of the years 1966, 1967, and 1968, respectively.'

"(b) Section 10(c) of such Act is amended by striking out 'And provided further' and inserting in lieu thereof 'Provided further', and by inserting before the period at the end thereof the following: ': And provided further, That the amount of the fixed annual contribution which would be established under this Act for a newly constructed project by a public housing agency designed to accommodate a number of families of a given size and kind may be established, as a maximum annual contribution in lieu of any other guaranteed contribution authorized under this section, for a project by such public housing agency which would provide housing for the comparable number, sizes, and

kinds of families through the acquisition and rehabilitation, or use under lease of existing structures which are suitable for low-rent housing use and obtainable in the local market'.

"(c) Section 2(2) of such Act is amended to read as follows:

"(2) The term 'families of low income' means families (including elderly and displaced families) who are in the lowest income group and who cannot afford to pay enough to cause private enterprise in their locality or metropolitan area to build an adequate supply of decent, safe, and sanitary dwellings for their use. The term 'families' includes families consisting of a single person in the case of elderly families and displaced families, and includes the remaining member of a tenant family. The term 'elderly families' means families whose heads (or their spouses), or whose sole members, have attained the age at which an individual may elect to receive an old-age benefit under title II of the Social Security Act, or are under a disability as defined in section 223 of that Act, or are handicapped within the meaning of section 202 of the Housing Act of 1959. The term 'displaced families' means families displaced by urban renewal or other governmental action."

"(d) Section 15(7)(b) of such Act is amended by striking out '(ii)' and all that follows down through 'and (iii)', and by inserting in lieu thereof 'and (ii)'."

"Direct loans to provide housing for the elderly or handicapped"

"Sec. 104. (a) Section 202(a)(4) of the Housing Act of 1959 is amended by striking out 'not to exceed \$350,000,000' and inserting in lieu thereof 'such sums as may be necessary for purposes of this section,'."

"(b) Effective with respect to loans made on or after the date of the enactment of this Act, section 202(a)(3) of such Act is amended by striking out 'the higher of (A) 2 3/4 per centum per annum, or' and inserting in lieu thereof 'the lower of (A) 3 per centum per annum, or'."

"(c) Section 202(a) of such Act is further amended by adding at the end thereof the following new paragraph:

"(5) No loan shall be made under this section after October 1, 1969, except pursuant to a commitment entered into on or before such date."

Mr. HARVEY of Michigan (interrupting the reading of the motion). Mr. Speaker, I ask unanimous consent that the motion be considered as read, inasmuch as it makes only two simple changes in title I; strike out section 101 as amended, and the second change would strike out section 106 which would establish a new grant program under urban renewal wherein the Government would pay 100 percent instead of the normal two-thirds.

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

Mr. PATMAN. Mr. Speaker, this is a rather important provision that the gentleman is attempting to write into this bill. I just wonder if we should not have it read.

Mr. HARVEY of Michigan. Mr. Speaker, I withdraw my request.

Mr. PATMAN. Mr. Speaker, I did not reserve the right to object.

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

There was no objection.

The SPEAKER. The question is on the motion to recommit.

Mr. HARVEY of Michigan. Mr. Speaker, on that I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 202, nays 208, answered "present" 5, not voting 19, as follows:

[Roll No. 163]

YEAS—202

Abbutt	Evans, Colo.	Mosher
Abernethy	Findley	Murray
Adair	Fino	Nelsen
Anderson, Ill.	Fisher	O'Konski
Andrews,	Flynt	Olsen, Minn.
George W.	Foley	O'Neal, Ga.
Andrews,	Ford, Gerald R.	Passman
Glenn	Fountain	Pelly
Andrews,	Frelinghuysen	Pickle
N. Dak.	Fulton, Pa.	Pike
Arends	Gathings	Pirnie
Ashbrook	Gettys	Poff
Ashmore	Gialmo	Pool
Ayres	Goodell	Pucinski
Baldwin	Griffin	Quile
Baring	Gross	Quillen
Bates	Grover	Randall
Battin	Gubser	Reld, Ill.
Belcher	Gurney	Reifel
Bell	Haley	Reinecke
Bennett	Hall	Rhodes, Ariz.
Berry	Halleck	Rivers, S.C.
Betts	Hansen, Idaho	Roberts
Bolton	Hardy	Robison
Bray	Harris	Rogers, Tex.
Brock	Harsha	Roudebush
Broomfield	Harvey, Mich.	Roush
Brown, Ohio	Hébert	Rumsfeld
Broyhill, N.C.	Henderson	Satterfield
Broyhill, Va.	Herlong	Saylor
Buchanan	Hosmer	Schmidhauser
Burleson	Hull	Schneebell
Burton, Utah	Hutchinson	Schweiker
Byrnes, Wis.	Ichord	Scott
Cahill	Jarman	Selden
Callaway	Johnson, Pa.	Shriver
Carter	Jonas	Sikes
Casey	Jones, Ala.	Skubitz
Cederberg	Jones, Mo.	Slack
Chamberlain	Keith	Smith, Calif.
Clancy	King, N.Y.	Smith, Iowa
Clausen,	Kornegay	Smith, N.Y.
Don H.	Laird	Smith, Va.
Clawson, Del.	Langen	Stafford
Cleveland	Latta	Stalbaum
Collier	Lennon	Stanton
Colmer	Lipscorn	Steed
Conable	Long, La.	Talcott
Conte	McClory	Taylor
Corbett	McCulloch	Teague, Calif.
Cramer	McDade	Thomson, Wis.
Culver	McEwen	Tuck
Cunningham	McMillan	Utt
Curtin	McVicker	Van Deerlin
Curtis	MacGregor	Waggonner
Dague	Mahon	Walker, Miss.
Davis, Wis.	Malliard	Watkins
Derwinski	Marsh	Watson
Devine	Martin, Ala.	Whalley
Dickinson	Martin, Nebr.	White, Idaho
Dole	Mathias	Whitener
Dorn	Matthews	Whitten
Dowdy	May	Whitnall
Downing	Michel	Williams
Duncan, Tenn.	Minshall	Wilson, Bob
Dwyer	Mize	Wyatt
Edwards, Ala.	Moore	Wydler
Ellsworth	Morris	Younger
Erlenborn	Morse	

NAYS—208

Adams	Cameron	Donohue
Albert	Carey	Dow
Anderson,	Celler	Duncan, Oreg.
Tenn.	Chelf	Dyal
Annunzio	Clark	Edmondson
Ashley	Clevenger	Edwards, Calif.
Aspinall	Cohelan	Everett
Bandstra	Conyers	Fallon
Barrett	Cooley	Farnstein
Beckworth	Corman	Farnsley
Bingham	Craley	Farnum
Blatnik	Daddario	Fascell
Boggs	Daniels	Feighan
Boland	Davis, Ga.	Flood
Bolling	Dawson	Fogarty
Brademas	de la Garza	Ford,
Brooks	Delaney	William D.
Burke	Dent	Fraser
Burton, Calif.	Denton	Friedel
Byrne, Pa.	Diggs	Fulton, Tenn.
Callan	Dingell	Gallagher

Garmatz
Gibbons
Gilbert
Gilligan
Gonzalez
Grabowski
Gray
Green, Oreg.
Green, Pa.
Greigg
Grider
Griffiths
Hagan, Ga.
Hagen, Calif.
Halpern
Hamilton
Hanley
Hanna
Hansen, Iowa
Hansen, Wash.
Hathaway
Hawkins
Hays
Hechler
Helstoski
Hicks
Hollfield
Holland
Horton
Howard
Hungate
Huot
Irwin
Jacobs
Jennings
Joelson
Johnson, Calif.
Johnson, Okla.
Karsten
Karth
Kastenmeyer
Kee
Kelly
King, Calif.
King, Utah
Kirwan
Kluczynski
Krebs
Landrum
Leggett

Lindsay
Long, Md.
Love
McCarthy
McDowell
McFall
McGrath
Macdonald
Machen
Mackie
Madden
Matsunaga
Meeds
Miller
Mills
Minish
Mink
Moeller
Monagan
Moorhead
Morgan
Morrison
Moss
Multer
Murphy, Ill.
Murphy, N.Y.
Natcher
Nedzi
Nix
O'Brien
O'Hara, Ill.
O'Hara, Mich.
Olsen, Mont.
O'Neill, Mass.
Ottinger
Patman
Patten
Pepper
Perkins
Philbin
Poage
Powell
Price
Purcell
Race
Redlin
Reid, N.Y.
Resnick
Reuss
Rhodes, Pa.

Rivers, Alaska
Rodino
Rogers, Colo.
Rogers, Fla.
Ronan
Roncallo
Rooney, N.Y.
Rooney, Pa.
Roosevelt
Rosenthal
Roybal
Ryan
St Germain
St. Onge
Schlisler
Secrest
Senner
Sickles
Sisk
Staggers
Stephens
Stratton
Stubblefield
Sullivan
Sweeney
Tenzer
Thompson, La.
Thompson, N.J.
Thompson, Tex.
Trimble
Tunney
Tuten
Udall
Ullman
Vanik
Vigorito
Vivian
Walker, N. Mex.
Watts
Weltner
Willis
Wilson,
Charles H.
Wolff
Wright
Yates
Young
Zablocki

is absent because of illness. I voted "yea." I withdraw my vote and vote "present."

Mr. CABELL. Mr. Speaker, I have a live pair with the gentleman from Pennsylvania [Mr. TOLL] who is ill. If he were present, he would have voted "nay." I voted "yea." I withdraw my vote and vote "present."

Mr. WHITE of Texas. Mr. Speaker I have a live pair with the gentleman from California [Mr. BROWN]. If he were present, he would have voted "nay." I voted "yea." I withdraw my vote and vote "present."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on passage of the bill.

Mr. PATMAN. On that, Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 245, nays 169, answered "present" 3, not voting 17, as follows:

[Roll No. 164]
YEAS—245

ANSWERED "PRESENT"—5
Cabell Teague, Tex. White, Tex.
Scheuer Todd

NOT VOTING—19
Addabbo Harvey, Ind. Shipley
Bonner Keogh Springer
Bow Kunkel Thomas
Brown, Calif. Mackay Toll
Dulski Martin, Mass. Tupper
Evins, Tenn. Morton
Fuqua Rostenkowski

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:
Mr. Todd for, with Mr. Keogh against.
Mr. Teague of Texas for, with Mr. Thomas against.

Mr. Cabell for, with Mr. Toll against.
Mr. White of Texas for, with Mr. Brown of California against.
Mr. Bow for, with Mr. Mackay against.

Until further notice:
Mr. Addabbo with Mr. Martin of Massachusetts.

Mr. Evins with Mr. Springer.
Mr. Rostenkowski with Mr. Tupper.
Mr. Bonner with Mr. Kunkel.
Mr. Dulski with Mr. Harvey of Indiana.
Mr. Shipley with Mr. Morton.

Mr. TODD. Mr. Speaker, I have a live pair with the gentleman from New York [Mr. KEOGH]. If he were present, he would have voted "nay." I voted "yea." I withdraw my vote and vote "present."

Mr. DOWNING changed his vote from "nay" to "yea."

Mr. TEAGUE of Texas. Mr. Speaker, I have a live pair with the gentleman from Texas [Mr. THOMAS]. If he were present, he would have voted "nay." He

Adams Friedel Machen
Albert Fulton, Pa. Mackie
Anderson, Fulton, Tenn. Madden
Tenn. Gallagher Mathias
Annunzio Garmatz Matsunaga
Ashley Gialmo Meeds
Aspinall Gilbert Miller
Bandstra Gilbert Mills
Barrett Gilligan Minish
Bates Gonzalez Mink
Beckworth Grabowski Moeller
Bingham Gray Monagan
Blatnik Green, Oreg. Moorhead
Boggs Green, Pa. Morgan
Boland Greigg Morrison
Bolling Grider Morse
Brademas Griffiths Mosher
Brooks Hagan, Ga. Moss
Burke Hagen, Calif. Multer
Burton, Calif. Halpern Murphy, Ill.
Byrne, Pa. Hamilton Murphy, N.Y.
Cahill Hanley Natcher
Callan Hanna Nedzi
Cameron Hansen, Iowa Nix
Carey Hansen, Wash. O'Brien
Celler Hathaway O'Hara, Ill.
Chief Hawkins O'Hara, Mich.
Hays O'Konski
Cleveland Hechler Olsen, Mont.
Clevenger Helstoski Olson, Minn.
Cohelan Hicks O'Neill, Mass.
Conyers Hollfield Ottinger
Corbett Holland Patman
Corman Horton Patten
Craley Howard Pepper
Culver Hungate Perkins
Daddario Huot Philbin
Daniels Irwin Pickle
Davis, Ga. Jacobs Poage
Dawson Jarman Powell
de la Garza Jennings Price
Delaney Joelson Pucinski
Dent Johnson, Calif. Purcell
Denton Johnson, Okla. Quillen
Diggs Jones, Ala. Race
Dingell Karsten Randall
Donohue Karth Redlin
Dow Kastenmeyer Reid, N.Y.
Dulski Kee Resnick
Duncan, Oreg. Keith Reuss
Dwyer Kelly Rhodes, Pa.
Dyal King, Calif. Rivers, Alaska
Edmondson King, Utah Rodino
Edwards, Calif. Kirwan Rogers, Colo.
Ellsworth Kluczynski Ronan
Evans, Colo. Krebs Roncallo
Everett Kunkel Rooney, N.Y.
Fallon Landrum Rooney, Pa.
Farbstein Leggett Roosevelt
Farnsley Lindsay Rosenthal
Farnum Long, Md. Roush
Fascell Love Roybal
Feighan McCarthy Ryan
Fino McDade St Germain
Flood McDowell St. Onge
Fogarty McFall Saylor
Ford, McGrath Schlisler
William D. McVicker Schmidhauser
Fraser Macdonald Schweiker

Secrest
Senner
Sickles
Sisk
Slack
Smith, Iowa
Stafford
Stalbaum
Steed
Stephens
Stratton
Stubblefield
Sullivan
Sweeney

Tenzer
Thompson, La.
Thompson, N.J.
Thompson, Tex.
Widnall
Willis
Wilson,
Charles H.
Wolff
Wright
Wyder
Yates
Young
Zablocki

NAYS—169

Abbitt Dowdy May
Abernethy Downing Michel
Adair Duncan, Tenn. Minshall
Anderson, Ill. Edwards, Ala. Mize
Andrews, Erlenborn Moore
George W. Findley Morris
Andrews, Fisher Murray
Glenn Flynt Nelsen
Andrews, Foley O'Neal, Ga.
N. Dak. Ford, Gerald R. Passman
Arends Fountain Pelly
Ashbrook Frelinghuysen Pike
Ashmore Fuqua Pirnie
Ayres Gathings Poff
Baldwin Gettys Pool
Baring Goodell Quie
Battin Griffin Reid, Ill.
Belcher Gross Relfel
Bell Grover Reinecke
Bennett Gubser Rhodes, Ariz.
Berry Gurney Rivers, S.C.
Betts Haley Roberts
Bolton Hall Robison
Bray Halleck Rogers, Fla.
Brock Hansen, Idaho Rogers, Tex.
Broomfield Hardy Rousebush
Brown, Ohio Harris Rumfeld
Broyhill, N.C. Harsha Satterfield
Broyhill, Va. Harvey, Mich. Schneebell
Buchanan Hébert Scott
Burleson Henderson Selden
Burton, Utah Herlong Shriver
Byrnes, Wis. Hosmer Sikes
Callaway Hull Skubitcz
Carter Hutchinson Smith, Calif.
Casey Ichor Smith, N.Y.
Cederberg Johnson, Pa. Smith, Va.
Chamberlain Jonas Stanton
Clancy Jones, Mo. Talcott
Clausen, King, N.Y. Taylor
Don H. Kornegay Teague, Calif.
Clawson, Del. Laird Teague, Tex.
Collier Langen Thomson, Wis.
Colmer Latta Tuck
Conable Lennon Utt
Conte Lipscomb Waggonner
Cooley Long, La. Walker, Miss.
Cramer McClary Walker, N. Mex.
Cunningham McCulloch Watson
Curtin McCuen Whalley
Curtis McMillan White, Tex.
Dague MacGregor Whitener
Davis, Wis. Mahon Whitten
Derwinski Mailliard Williams
Devine Marsh Wilson, Bob
Dickinson Martin, Ala. Wyatt
Dole Martin, Nebr. Younger
Dorn Matthews

ANSWERED "PRESENT"—3
Cabell Scheuer Todd

NOT VOTING—17
Addabbo Keogh Springer
Bonner Mackay Staggers
Bow Martin, Mass. Thomas
Brown, Calif. Morton Toll
Evins, Tenn. Rostenkowski Tupper
Harvey, Ind. Shipley

So the bill was passed.
The Clerk announced the following pairs:

On this vote:
Mr. Keogh for, with Mr. Todd against.
Mr. Toll for, with Mr. Cabell against.
Mr. Tupper for, with Mr. Bow against.
Mr. Martin of Massachusetts for, with Mr. Springer against.

Until further notice:
Mr. Addabbo with Mr. Morton.
Mr. Mackay with Mr. Harvey of Indiana.
Mr. Evins with Mr. Bonner.
Mr. Staggers with Mr. Shipley.

Mr. Brown of California with Mr. Rostenkowski.

Mr. CABELL. Mr. Speaker, I have a live pair with the gentleman from Pennsylvania [Mr. TOLL] who is ill. If he were present, he would have voted "yea." I voted "nay." I withdraw my vote and vote "present."

Mr. TODD. Mr. Speaker, I have a live pair with the gentleman from New York [Mr. KEOGH]. If he were present, he would have voted "yea." I voted "nay." I withdraw my vote and vote "present."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

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

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

There was no objection.

Mr. SCHEUER. Mr. Speaker, I would like to clarify for the RECORD that on rollcall Nos. 162, 163, and 164 concerning the Housing and Urban Development Act of 1965 I was present but did not vote because I felt I had a possible direct personal interest in the legislation, and, under rule 8 of the House, was precluded from voting.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. ARRINGTON, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 4525. An act to amend the Merchant Marine Act, 1936, to provide for the continuation of authority to develop American-flag carriers and promote the foreign commerce of the United States through the use of mobile trade fairs; and

H.R. 5283. An act to provide for the inclusion of years of service as judge of the District Court for the Territory of Alaska in the computation of years of Federal judicial service for judges of the U.S. District Court for the District of Alaska.

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

H.R. 7105. An act to provide for continuation of authority for regulation of exports, and for other purposes.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 8147) entitled "An act to amend the Tariff Schedules of the United States with respect to the exemption from duty for returning residents, and for other purposes."

GENERAL LEAVE TO EXTEND

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks and include any germane extraneous matter in connection with the housing bill just passed.

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

There was no objection.

COMMITTEE ON AGRICULTURE

Mr. PURCELL. Mr. Speaker, I ask unanimous consent that the Committee on Agriculture may have until midnight tonight to file certain reports on H.R. 9497.

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

There was no objection.

PERSONAL EXPLANATION

Mr. FULTON of Pennsylvania. Mr. Speaker, on Monday, June 28, 1965, I arranged for consultations at my Pittsburgh office on the basis that no vote was expected at the House session that day.

I was advised by responsible representatives of both the majority and the minority that there would be no vote expected on the new housing bill H.R. 7384.

An automatic rollcall was unexpectedly called on the rule. If present I would have voted "nay" on rollcall No. 157 on June 28, 1965.

EXEMPTION FROM DUTY FOR RETURNING RESIDENTS

Mr. MILLS submitted the following conference report and statement on the bill (H.R. 8147) to amend the Tariff Schedules of the United States with respect to the exemption from duty for returning residents, and for other purposes:

CONFERENCE REPORT (H. REPT. No. 570)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 8147) to amend the Tariff Schedules of the United States with respect to the exemption from duty for returning residents, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 1 and 4 and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: Restore the matter proposed to be stricken out by the Senate amendment and on page 2, lines 19 and 20, of the House engrossed bill strike out "possessions, if the remainder is brought or shipped from such"; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows: On page 1, line 6, of the Senate engrossed

amendments strike out "(a)" after "Sec. 3"; and the Senate agree to the same.

WILBUR D. MILLS,
CECIL R. KING,
HALE BOGGS,
JOHN W. BYRNES,
THOMAS B. CURTIS,

Managers on the Part of the House.

HARRY FLOOD BYRD,
RUSSELL B. LONG,
GEORGE A. SMATHERS,
FRANK CARLSON,
THRUSTON B. MORTON,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 8147) to amend the tariff schedules of the United States with respect to the exemption from duty for returning residents, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

Amendment No. 1: Under the bill as passed by the House, the exemption from duty for a returning resident applies to articles acquired abroad as an incident of the journey from which he is returning whether such articles accompany him on his return to the United States or are shipped to him. Senate amendment No. 1 would limit the exemption to articles accompanying the individual on his return to the United States.

The House recedes.

Amendment No. 2: Under the bill as passed by the House, alcoholic beverages may be entered free of duty under the exemption for returning residents only if the individual has attained the age of 21. The quantity which may be exempt from duty is limited to 1 quart, except that if the individual arrives directly or indirectly from American Samoa, Guam, or the Virgin Islands of the United States the quantity is 1 wine gallon (but not more than 1 quart may have been acquired elsewhere than in such insular possessions and the remainder must be brought or shipped from such possessions). Under Senate amendment No. 2, the quantity admitted free of duty would be limited to 1 quart in all cases (and would apply only in the case of individuals who have attained the age of 21).

Under the conference agreement the provisions of the bill as passed by the House are restored with a technical amendment conforming to the action of the conferees on Senate amendment No. 1. Thus, the quantity of alcoholic beverages which may be exempt from duty, in the case of an individual who has attained age 21 and is arriving directly or indirectly from American Samoa, Guam, or the Virgin Islands, is 1 wine gallon (not more than 1 quart of which may have been acquired elsewhere than in such insular possessions) but (conforming with Senate amendment No. 1) such alcoholic beverages must accompany the returning resident.

Amendment No. 3: Under temporary legislation (Item 915.30 of the tariff schedules of the United States), a U.S. resident who returns to the United States before July 1, 1965, may claim (not more often than once in 30 days) an exemption from duty for \$100 worth (wholesale value) of articles acquired abroad. Unless he returns from the Virgin Islands of the United States or through a port of entry on the Mexican border, he must have remained outside the customs territory of the United States for at least 48 hours. Senate amendment No. 3 adds a new section to the bill to strike out the July 1, 1965, date and insert October 1, 1965.

The House recesses with a clerical amendment.

Amendment No. 4: The first section of the bill as passed by both the House and the Senate amends the permanent provisions of the tariff schedules to provide an exemption from duty for \$100 worth (fair retail value) of articles acquired abroad; except that in the case of persons arriving directly or indirectly from American Samoa, Guam, or the Virgin Islands of the United States, the exemption is \$200 (fair retail value) not more than \$100 of which may have been acquired elsewhere than in such insular possessions. Under the bill as passed by the House the amendments apply with respect to persons arriving in the United States on or after July 1, 1965. Under Senate amendment No. 4, the amendments apply with respect to persons arriving in the United States on or after October 1, 1965.

Section 2 of the bill as passed by both the House and the Senate changes the basis for valuation from wholesale value to fair retail value in the case of the \$10 maximum exemption for gifts received from abroad, the \$10 maximum exemption for persons arriving from abroad who are not entitled to a personal exemption, and the \$1 exemption for other importations. Under the bill as passed by the House the amendments made by section 2 applied with respect to articles arriving in the United States on or after July 1, 1965. Under Senate amendment No. 4 the amendments apply with respect to articles arriving in the United States on or after October 1, 1965.

Under Senate amendment No. 4, the amendment made by the new section added to the bill by Senate amendment No. 3 applies with respect to persons arriving in the United States after the date of the enactment of the bill.

The House recesses.

WILBUR D. MILLS,
CECIL R. KING,
HALE BOGGS,
JOHN W. BYRNES,
THOMAS B. CURTIS,

Managers on the Part of the House.

Mr. MILLS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill (H.R. 8147) to amend the Tariff Schedules of the United States with respect to the exemption from duty for returning residents, and for other purposes.

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

Mr. GROSS. Mr. Speaker, reserving the right to object, I assume we are going to have an explanation on what took place in the conference.

Mr. MILLS. Absolutely. We will have the statement of the managers on the part of the House read plus an explanation, if desired.

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

Mr. MILLS. Mr. Speaker, I ask unanimous consent that the statement be read in lieu of the report.

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

There was no objection.

The Clerk read the statement.

Mr. MILLS. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, the House bill would have established a permanent \$100 exemption based on retail value for U.S. residents

returning from abroad except that in the case of persons arriving from American Samoa, Guam or the Virgin Islands the exemption was doubled provided not more than half of the exemption shall have been acquired elsewhere than in these insular possessions. Under the House bill, the articles would be entitled to duty and tax exemption if accompanying the returning resident or if shipped to him later. Senate amendment No. 1 eliminated the "articles to follow" privilege; that is, the exemption would apply only to articles accompanying the returning resident. The House recessed from its disagreement to Senate amendment No. 1.

In the House bill, the 1-gallon liquor allowance under the existing law was reduced to 1 quart except that in the case of tourists returning through American Samoa, Guam, or the Virgin Islands, they would be allowed 1 gallon provided not more than 1 quart was acquired elsewhere than in the insular possessions. Under Senate amendment No. 2, the quantity admitted free of duty would be limited to 1 quart in all cases. Under the conference agreement, the provisions of the bill as passed by the House, are restored with a technical amendment, the net result of which would be to allow U.S. residents returning from American possessions to include in their exemption 1 gallon of liquor provided not over a quart of it was acquired elsewhere than in the insular possessions. Of course, to receive the exemption, the liquor would have to accompany the person. In all cases, the liquor allowance is limited to persons 21 years of age or over.

Senate amendment No. 3 extends existing law 3 months, until October 1, 1965. The House conferees recessed on this. Senate amendment No. 4 makes October 1, 1965 the effective date of the permanent provision. The House conferees agreed to this.

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

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

Mr. GROSS. So, that takes care of the tourist season for this year?

Mr. MILLS. I assume the tourist season for this year was considered in connection with this amendment.

Mr. GROSS. And, so, it is not any help to the deficit in the balance of payments?

Mr. MILLS. Let me be serious in my answer to the gentleman from Iowa. Actually, there are a number of people who had already made arrangements to go abroad. They are now abroad. No doubt they have already made purchases. I assume the distinguished minority leader of the other body must have had this in mind in offering his amendment.

The question was whether or not we would very promptly and quickly—some might say abruptly—make this change from \$100 wholesale value to \$100 retail value. Bear this in mind, \$100 wholesale value means about \$166 retail value. So there is not actually as much of a difference for the 3 months as one might otherwise assume there would be. The

conference committee thought this was a reasonable amendment.

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

Mr. MILLS. Yes.

Mr. GROSS. I thought the President of the United States was very much concerned over the balance-of-payments situation.

Mr. MILLS. I am sure he is quite interested in it.

Mr. GROSS. And, I thought he was thus concerned as to this legislation. I assumed that the restrictions would be put on immediately, hard and fast.

Now does the gentleman from Arkansas think the President will sign this bill?

Mr. MILLS. Yes; I have every reason to believe that he will, because if the President does not sign it by midnight—

Mr. GROSS. If he does sign it he will not be meaning what he says, will he?

Mr. MILLS. Bear in mind this, that if the President does not sign this bill by midnight tonight, then tomorrow morning a returning tourist could bring back into the United States \$500 in wholesale value of products purchased abroad, exempt from all tax and exempt from all duties.

Mr. GROSS. All right; but that is only part of what he asked for, is it not?

Mr. MILLS. He asked initially for a reduction in the duty-free exemption to \$50, as the gentleman from Iowa recalls.

Mr. GROSS. That is what I mean.

Mr. MILLS. And it was the decision within the Committee on Ways and Means to establish the exemption at \$100 retail value, and put it on a permanent basis.

Mr. GROSS. I hope the President says what he means and means what he says. I think this would be a pretty good test of that, whether he signs this bill or not.

Mr. MILLS. I would not encourage the President, if I were the gentleman from Iowa, not to sign this bill, because I know the gentleman from Iowa feels as I do, that returning tourists should not have the privilege after midnight tonight of bringing back as much as \$500 wholesale value of products abroad with no duty being paid on them.

Mr. GROSS. I thank the gentleman.

Mr. MILLS. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

CONTINUATION OF AUTHORITY FOR REGULATION OF EXPORTS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 7105) to provide for continuation of authority for regulation of exports, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 4, line 10, strike out "agreements" and insert "agreements,".

Page 4, line 10, strike out "have" and insert "has".

Page 5, line 6, after "Act" insert "and shall require that all domestic concerns receiving requests for the furnishing of information or the signing of agreements as specified in section 2(4) must report this fact to the Secretary of Commerce for such action as he may deem appropriate to carry out the purposes of section 2(4)".

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

Mr. GERALD R. FORD. Mr. Speaker, reserving the right to object, is this the export control legislation about which the gentleman from New York spoke to me earlier?

Mr. PATMAN. Yes.

Mr. GERALD R. FORD. The House version, as I understand it, is intact with the exception of one Senate amendment that requires that an American business concern that receives an inquiry must report the receipt of that inquiry to the Department of Commerce; otherwise it is the House version of the legislation?

Mr. PATMAN. Yes.

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

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks in the RECORD on this bill, and to include extraneous matter.

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

There was no objection.

LEGISLATIVE PROGRAM

Mr. GERALD R. FORD. 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. GERALD R. FORD. Mr. Speaker, I take this time for the purpose of asking the distinguished majority leader the schedule for tomorrow, and the possible program for next week.

Mr. ALBERT. Mr. Speaker, the legislative program for the remainder of the week, so far as I know, will be the conference report on the District of Columbia appropriation bill that the gentleman from Kentucky [Mr. NATCHER] intends to call up tomorrow.

We hope to have a program ready tomorrow. We expect to meet pro forma on Friday, and adjourn until Tuesday. I would like to withhold information on the program until tomorrow afternoon.

PROTEST AGAINST SPEECH BY DR. HENDRIK VERWOERD, PRIME MINISTER OF THE UNION OF SOUTH AFRICA

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

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

There was no objection.

Mr. FARBSTEIN. Mr. Speaker, I feel it is incumbent upon me to rise in this Chamber today to protest as strongly as possible against the speech made last Friday, June 25, by Dr. Hendrik Verwoerd, Prime Minister of the Union of South Africa.

Speaking before a domestic political conference, the Prime Minister disclosed that he had informed the U.S. Government that American Negro scientists and engineers would not be admitted to South Africa for the purpose of working in a satellite tracking station operated under the auspices of our National Aeronautics and Space Administration.

Mr. Speaker, I suggest that the Union of South Africa has shown a disregard of the elementary rules of international courtesy by thus attempting to enforce its distasteful policy of strict racial segregation upon American citizens, and upon installations operated for the United States. I further suggest that the Union of South Africa has, in effect, interfered in American domestic policy by its official statement over the weekend, for the United States does not permit racial discrimination against its citizens at home, and it cannot permit such discrimination against its citizens in American-supported installations abroad.

The National Aeronautics and Space Administration makes use of three deep space and scientific satellite tracking stations in the Union of South Africa. They are operated for NASA by the South African Council of Scientific and Industrial Research. These tracking stations, at Johannesburg, Esselin Park, and Olifantsfontein, were established by an agreement of September 13, 1960, and have to do with the Mariner and Surveyor satellite programs.

To the best of my knowledge, there are about 13 American citizens employed in these three stations, none of whom are Negro. All are employed by private American companies under contract to NASA.

The whole world is well-acquainted with the policies of racial subjugation and segregation in the Union of South Africa. Peoples in nations brought up in the tradition of Western liberalism deplore this unfortunate throwback to a less-enlightened age. However, in the interest of friendly relations with the South African Government, the United States has respected South Africa's right to handle her internal affairs as she sees fit.

But in the past few months, Mr. Chairman, the Union of South Africa has made it painfully clear that it intends to enforce its doctrine of race superiority beyond its normal sphere of sovereignty.

As recently as May of this year, the aircraft carrier U.S.S. *Independence* was forced to cancel a stopover at Cape Town, South Africa, because the South African Government made it known that American Negro airplane crewmen would not be welcome there. We wisely refused to be a party to apartheid, refused to subject American servicemen to embarrassment and humiliation.

Additionally, Mr. Chairman, Dr. Verwoerd has publicly complained that July Fourth receptions at the U.S. Embassy in South Africa have been integrated since 1963. I, for one, deplore his criticism of official American policy being carried out on the grounds of an American diplomatic mission. It smacks of arrogance and high-pressure tactics. Can you imagine the dismay of our friends around the world upon learning that the United States had enforced racial segregation at its Independence Day celebration?

I am informed that the reason for Dr. Verwoerd's declaration last Friday was that he wished to admonish the United States for trying to set an example in an attempt to change South African racial policy.

Indeed, we would like to see South Africa moderate fanatic abhorrence of integration. Indeed, our friendship for South Africa makes us concerned, lest that nation be the subject of scorn for the entire world. But we will not meddle in South African internal affairs. That is not our place.

What we will do, however, what we must do, is insist that American citizens and American installations be left untainted by the policy of apartheid. This we must do if we are not to be condemned by all the enlightened nations of the world.

I have written to the Secretary of State asking that he make immediate representations to the South African Government, requesting assurances that American scientists, engineers, and other personnel, of whatever race, will be admitted to the Union of South Africa and will be treated with the courtesy and respect due them as representatives of the United States of America.

I have done this because I personally believe that the United States must live up to the democratic heritage which makes it a great nation, and that in order to live up to that heritage, it cannot allow itself to be coerced into following the South African policy with regard to racial segregation.

THE HEAD START PROGRAM IN NEW YORK

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

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

There was no objection.

Mr. HOWARD. Mr. Speaker, last Thursday the gentleman from Minnesota, a ranking minority member of the Committee on Education and Labor [Mr. QUINN], in a speech before the House of Representatives, lamented what he called the fact that the teachers working in connection with the head start program in New York were being paid at the rate of from \$8 to \$9.20 per hour. He stated they were grossly overpaid. The method used by the gentleman from Minnesota to compute this hourly wage was to take the salary received and divide it by the number of hours the teachers were actually in the classroom with the children. He completely ignored the many long hours these teachers will spend in preparation, gathering together and assembling materials and audiovisual equipment, evaluation of the program and the many meetings and consultations involved in the teaching of young children. As a former teacher and principal, I can attest to the long hours involved in education outside of the actual classroom time.

I thought it would be interesting using the logic and the method of computation of the gentleman from Minnesota to determine the hourly wage the taxpayers of America have paid to him and the rest of us during the first 5 months of this session of Congress. Following the method of the gentleman from Minnesota, this would be done by dividing his salary for the first 5 months by the number of hours the House of Representatives has actually been in session. Doing this we find that the gentleman from Minnesota has been paid at the rate of \$43.40 per hour. Further, if the gentleman from Minnesota has actually been present on the floor of the House for 10 percent of the time the House has actually been in session, we find that his hourly wage zooms to the handsome figure of \$434.02 per hour. Of course, the salary received by our beloved Speaker would be computed at a rate of time and a half during this period. Further still, if the House adjourns, as is being contemplated, somewhere near the first of September of this year, the gentleman from Minnesota and the rest of us will be paid during the last 4 months of this year at the rate of \$10,000 for no hours of work.

Mr. Speaker, I would be the last person to state or imply that the able gentleman from Minnesota is not worth every penny of the salary he is receiving. I am sure that his constituents and all of our citizens are receiving a bargain through his service. However, we can readily see, I am sure, the gross inaccuracy in this method of computation. If we consider the long hours put in by the able gentleman from Minnesota and the rest of us in committee, attending hearings, preparing testimony, aiding constituents, answering mail and operating our offices from early morning until late

at night, we may find that we are barely receiving the legal minimum wage. So let us be as accurate and considerate concerning the overworked, overwrought and underpaid teachers of America as we would be concerning ourselves.

CHAIRMAN PATMAN'S TELEVISION INTERVIEW ON HIS CALL FOR THE RESIGNATION OF FED CHAIRMAN MARTIN

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

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

There was no objection.

Mr. ANNUNZIO. Mr. Speaker, I am calling to the attention of my colleagues the recent television appearance of the distinguished chairman of the Banking and Currency Committee, WRIGHT PATMAN, on the June 15 "Today Show." Our colleague appeared on WRC-TV an NBC network affiliate where he was interviewed by Sander Vanocur on Chairman PATMAN's call for the resignation of William McChesney Martin, Jr., from the Federal Reserve Board.

The questions of the important role played by the Fed in our economy and its acclaimed independence from the executive branch are vital and not to be ignored by Congress. We have a great responsibility in these matters and I think our colleague from Texas is performing a great public service in bringing them to the attention of those of us in Government as well as the general public.

A transcript of Chairman PATMAN's stimulating interview with Mr. Vanocur follows:

CONGRESSMAN WRIGHT PATMAN IS INTERVIEWED

(Frank Blair is seen on the TV screen, seated in the studio.)

FRANK BLAIR. The Chairman of the Federal Reserve Board, William McChesney Martin, made a speech the other week, saying that there are disquieting similarities between the economy at the present time, and the conditions in the 1920's, just before the depression. Naturally, those remarks have caused disquiet and concern in the administration and in Congress. Congressman WRIGHT PATMAN, Democrat of Texas, who is chairman of the House Committee on Banking and Currency, has called for Martin's resignation.

Congressman PATMAN is in our Washington studios this morning with Sander Vanocur. Sandy.

SANDER VANOCUR. Good morning. Congressman PATMAN, you have had your differences, to put it mildly, with Chairman Martin in the past, but you never called for his resignation, and now you have. What has compelled you to make this rather drastic move?

Congressman PATMAN. Well, Mr. Martin has done some things, I think, that clearly indicate that he wants another depression. Some people call them recessions, but what is a recession to a few people represents a depression to many. And so I don't believe we should have another depression, or recession

either, and I think Mr. Martin should get out. Traditionally, he wants a recession. He triggered three recessions during the Eisenhower administration. They were all manmade, all unnecessary. He put the country through the ringer three times; I don't think we should go through it another time.

VANOCUR. Well, Congressman, this is really a very serious charge that you're making: that one man can cause a depression and that one man is Chairman Martin. Now, he has an independent role. Congress set him up, or set the agency up as an independent agency. Doesn't he have a right to play that independent role?

PATMAN. Well, he has played up the independent role. The law doesn't play up the independent role. He's no more independent as head of the Federal Reserve Board, than the Chairman of the Interstate Commerce Commission is independent in his role. The law was passed, just like any other law, and it's to be executed by the President, just like any other law. This question of independence is overplayed, and it's not true; he's not independent of the Government, within the Government or without. He's a public servant, supposed to be on the team with the President of the United States.

VANOCUR. Yes, but hasn't practice over at least the last 20 years suggested that the Fed Chairman plays an independent role, as happened under Mr. Truman, Mr. Eisenhower, and Mr. Kennedy?

PATMAN. Not under Mr. Truman. Mr. Truman denied it. He called the Board together and said, you fellows can't get away with this. You've got to maintain these interest rates like they have done in the past. You can't do this this way.

VANOCUR. Why do you think Mr. Martin felt constrained to speak out at this time? Are conditions now such that there is a similarity between before 1929?

PATMAN. Well, instead of saying "disquieting similarities," the correct phrase would have "quieting dissimilarities." Everything is so different to what it was preceding the great depression, so different, dissimilar. So Mr. Martin was scaring the people, frightening them, making them believe that we're close to battle, that hostile hands are going to invade us, and he shouldn't have done that, a man in his position. Now, of course, the Board usually goes along with the Chairman. They have tremendous power. You know, Mr. Martin feels like he's independent because he doesn't go to Congress for appropriations. He bought Government bonds with Government credit, collected the interest on the bonds after they'd been paid once, and uses that money to pay all expenses. He doesn't have to go to Congress; therefore he claims he's independent of Congress. He's not. He's a public servant just like any other person.

VANOCUR. Congressman PATMAN, supposing that Mr. Martin in the next 2 months makes a decision to raise interest rates. Now, in your position, as chairman of the Committee on Banking and Currency, what would be your attitude?

PATMAN. There is a law now that interest rates on long-term bonds cannot exceed 4½ percent. It's been that way ever since 1918, when Woodrow Wilson got it passed. Mr. Eisenhower several times tried to take off that 4½ percent. Mr. Martin has tried to get it taken off. But we have refused to do it. We've been holding the line on long-term bonds less than 4½ percent. He's been trying to get it off. I predict he will not succeed. We're going to hold that line in Congress.

VANOCUR. Well, you're saying that the mood of Congress, and your mood, certainly,

is to make money easy now, and not tighten up credit.

PATMAN. The correct phrase, Mr. Vanocur, would be to say I'm against tight money and high interest. The alternative does not necessarily mean easy money.

VANOCUR. But don't you have a different position than Mr. Martin? After all, Mr. Martin is responsible to maintain the sanctity of the dollar.

PATMAN. Responsible to whom?

VANOCUR. Well, he must consider he has a responsibility to the statute which created his agency.

PATMAN. Yes, sir; that's correct. He's responsible, but he's not responsible like the President. If the President and Members of Congress make a mistake that causes a depression, they can be punished for it by other people, but Mr. Martin makes a mistake and the bankers profit, and he goes unpunished. Nobody punishes the Federal Reserve Board. He's not subject to punishment.

VANOCUR. You're suggesting that Mr. Martin solely takes the side of the bankers, and has no sense of public responsibility. This is a very serious charge.

PATMAN. It's a very serious charge, but I think I can document it. Over the years, I can document it over the years. You know, the bankers have a very unusual position with the Government. They have the most lucrative franchise of any concern or association in America. The only way the bankers could have a better deal with the Federal Government would be to have a contract to collect the Government's Federal taxes on a 50-percent commission on the halves. They might have a better deal that way, but I doubt it. They have a deal whereby they manufacture money, and they manufacture money and don't have to go to the penitentiary for it like other people do, which is all right. I don't criticize them for it, because I believe in the bank's manufacturing money, and I believe in the fractional reserve system, if they're used in the public interest. But I consider that they have not been used in the public interest, and I could document some cases.

VANOCUR. But Congressman, look. I'm sure that you have heard from European bankers, the central bankers in Europe, the money managers, that the dollar is weakened by what they consider is the threat of inflation here, money becoming too easy. Doesn't Mr. Martin have a duty to respond, because we are one of the world's true reserve currencies, to respond to those criticisms, and to seek to hold money in a proper perspective?

PATMAN. Under our Constitution and laws, and subject to the jurisdiction of the President of the United States, who has the power under the Constitution, and the duty, to execute all laws that are passed by Congress. And knowing Mr. Johnson, he's not going to abdicate his duties or responsibilities to Mr. Martin or anybody else.

VANOCUR. Well, what was the President's attitude since Mr. Martin made this speech, because there's been a strange kind of quiet, even though there was this meeting at the White House, which Mr. Martin attended last week.

PATMAN. I'm in no position to say, because I did not confer with him before making the speech last Thursday, in which I called for Mr. Martin's resignation. I have not conferred with him since. I do not know what his attitude is. But I know Lyndon Johnson, and I know he is not a man who will abdicate his duties and responsibilities, and he is not going to let this country get into a depression.

VANOCUR. Congressman, if the economy was not soft, and if there weren't certain kinds of uneasiness going around now, would Mr. Martin's speech have been noticed? After all, did he cause the stock market to—

PATMAN. Yes, he did.

VANOCUR. Wouldn't it have occurred anyhow?

PATMAN. No, it would not have occurred anyway. But Mr. Martin occupies a tremendous position. The Board goes along with it. And what he says means something in the actual markets. It should mean something. And "disquieting" is the word that he said. And that's wrong, it scares people. It scares investors. You know, there's no similarity now between what happened in 19—preceding the Hoover depression. There's no substantial similarity. Then we had no social security. Then we had no deposit of insurance, I mean of savings, or of deposits in banks. We had no unemployment insurance and we have a number of things now that are perfect cushions against recessions and depressions, and reserves against it that we did not have at all. He should have boosted the country up. We have the greatest gross national product we've ever had. We've had 52 months of continuing economic prosperity, the longest period in peacetime history. Now then, he wants a depression, evidently. He's had one every 3 years, and he wants one; he's unhappy. He's a man who can't stand prosperity. And I don't like that kind of a man in the position that he's occupying. I don't say that they're dishonest, or corrupt, or anything like that. I'm not charging that. But they're, I guess you'd call them, intellectually dishonest. They're not carrying their duties out like they should.

VANOCUR. That's just the point, Congressman. Isn't he as faithful to his principle, which is a little tighter money policy, as you are to yours, which is a little easier money policy?

PATMAN. I can't deny that he doesn't sincerely believe * * * what he's doing, but he's always looking at it from the standpoint of the profit of the bankers, and ignoring the interest of the American people. The bankers are doing pretty well, and I want them to do well. We have a wonderful banking system, and we can't have a good banking system unless it's a prosperous banking system, and I'm all for that. But, you see, the bankers get along pretty well, and they shouldn't be given everything, and everything taken away from the people. Extortionate interest rates are running this country. High interest rates on long-term obligations. It's got to be stopped, and it will never be stopped under Mr. Martin.

VANOCUR. Thank you very much, Congressman WRIGHT PATMAN, chairman of the Banking and Currency Committee. And now back to "Today" in New York.

MAJOR LEAGUE BASEBALL

Mr. WELTNER. 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 Georgia?

There was no objection.

Mr. WELTNER. Mr. Speaker, for many years baseball has been called the national pastime. That term is not quite accurate.

In 1940, major league baseball was offered only to the residents of 21 Northeastern and North Central States. Today expansion has spread baseball throughout the Nation—except in the South.

The fastest growth in the country is in the West and South. Atlanta has a growth factor five times greater than that of Boston or Milwaukee.

We in the South have long been devoted to organized baseball. My State,

for example, has produced such immortals as Ty Cobb, Spud Chandler, Johnny Mize, Jim Hearn, Dixie Walker, Carlisle Smith, Luke Appling, and Nap Rucker.

The people of Metropolitan Atlanta deserve major league baseball. We have recently completed a spectacular, new \$18 million stadium. With well over a million people in the metropolitan area, professional teams will find Atlanta receptive and enthusiastic.

The Braves realized this immense potential, and have made every effort to bring major league baseball to Atlanta this year. Yet that team has been forced to remain in Milwaukee an unwanted, unprofitable, and unpleasant year. An irate group of county commissioners has chosen to ignore public and private interest, and set out to "scare the wits out of organized baseball." Now solidly in the first division, the Braves are rapidly becoming, as Ople Shelton of Atlanta remarked, "the greatest team in captivity."

Within recent days, this little group of angry men has rejected a most generous offer that sought only release for the remainder of the 1965 season. This, notwithstanding that attendance during five exhibition games in Atlanta exceeds total attendance for the entire season in Milwaukee.

This clique does disservice to baseball, to Atlanta, and to those it set out to help. Its highhanded conduct will effectively kill major sports in Milwaukee.

When the last hope is dead, and the coffin is closed on major league baseball in that city, they will bear full blame for the bier that made Milwaukee famous.

GEN. HAMILTON H. HOWZE

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

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

There was no objection.

Mr. FLYNT. Mr. Speaker, this afternoon Gen. Hamilton Hawkins Howze, U.S. Army, is being honored at a retirement ceremony and review at Fort Myer, Va. General Howze is completing 39 years of active military service—including his 4 years as a cadet at West Point. His active military life and his direct association with the U.S. Army began on the day of his birth, December 21, 1908, at the U.S. Military Academy, where his father was commandant of cadets.

General Howze is possessed of a distinguished and outstanding career. He has devoted his time, his service, his talents, and his great abilities toward the modernization of the U.S. Army. He has done his part to make it and keep it the most effective military organization of all time. In addition to a total dedication to his country as one of the most brilliant of our professional soldiers, he has demonstrated imagination and vision equaled by few and excelled by none.

The son of a general officer, the brother of a general officer, the nephew

and namesake of a general officer, Ham Howze has been surrounded by a galaxy since his early childhood. At the conclusion of 35 years of continuous active service as a commissioned officer in the U.S. Army, he has achieved a place of brilliance in that constellation.

His assignments and duty stations have carried him to four continents and a variety of posts. From platoon leader to commanding general, 8th U.S. Army, he has exercised command in each echelon of the Army in consecutive order—platoon, cavalry troop, squadron, regiment, combat command, division, corps, and Army. His staff positions have included assistant chief of staff, deputy chief of staff, and chief of staff at division and Army levels. The diversity of his Army career in both command and staff capacities is perhaps unmatched.

As a staff officer as well as a commander, he has demonstrated the results of years of study and preparation, and has made practical application of the lessons which he learned.

He will long be remembered for his accomplishments as chairman of the Howze Board, a board of general officers established to study the feasibility of an air-mobile Army division with organic air transport. His plans materialized in the experimental 11th Air Assault Division, and there are now indications that a permanent table of organization and equipment will be established for this type of division.

As an instructor, he has been one of the Army's best. I know this firsthand, having received instruction from him when he was a senior lieutenant and I a junior lieutenant in the same regiment, the 6th U.S. Cavalry. When serving with him as a junior officer, I came to have a high admiration and regard for his ability, and a warm personal friendship began 29 years ago. As early as 1936, it was evident that Ham Howze would achieve general officer rank. It turned out that he achieved the four-star rank of a full general. We who served with him as troop-grade officers in the early 1930's confidently expected no less.

Prior to entering the U.S. Military Academy in 1926, General Howze attended Ohio State University for 1 year. He was commissioned a second lieutenant of cavalry upon graduation from the Academy in 1930. General Howze is also a graduate of the Cavalry school, 1935; advanced equitation course, 1936; U.S. Army Command and General Staff College, command course, 1946; the National War College, 1949, and U.S. Army Infantry School, airborne course, 1951. He is a qualified airplane and helicopter pilot.

General Howze saw World War II action with the 1st Armored Division, participating in the Tunisia, Naples-Foggia, Rome-Arno, and North Apennines campaign. In 1943 General Howze became the commanding officer of the 13th Armored Regiment in the Mediterranean theater of operations.

General Howze's most recent assignment was Commanding General, 8th U.S. Army, Commander in Chief, United Nations Command/Commander, U.S. Forces, Korea. At the time of his assign-

ment to command 8th Army, he was Commanding General, Strategic Army Corps—STRAC—and XVIII Airborne Corps, Fort Bragg, N.C. Previously he served as Chief, U.S. Army Advisory Group in Korea; Director of Army Aviation, Department of the Army; Deputy Chief of Staff for Operations, 7th U.S. Army, Europe; Assistant Commander, 2d Armored Division in Germany; and Commanding General, 82d Airborne Division, Fort Bragg, N.C. General Howze became Deputy Commanding General for Developments, Headquarters, U.S. Continental Army Command, Fort Monroe, Va., on September 1, 1961.

His decorations and citations include the Silver Star, the Legion of Merit with Oak Leaf Cluster, the Bronze Star Medal for Valor, the Army Aviator Badge, the Parachutist Badge, and the Italian Military V. C.

His wife is the former Miss Mary Henry, and their two sons are William G. Howze and Guy R. Howze.

General Howze has been and is a soldier's soldier, a man among men. Throughout his career, he has reflected credit upon himself, his distinguished family, and the highest traditions of the U.S. Army. He has served his country honorably and with outstanding performance of duty in war and peace.

Today, as he leaves the Active Army and is placed on the retired list, he is entitled to the thanks of a grateful nation which he has caused to grow stronger and to maintain a posture of strength. I extend my congratulations and wish him and Mary and their sons every success, happiness, and Godspeed as he enters civilian life for the first time.

BILLY CYPRESS—"INDIAN TO GET DIPLOMA, BARS"

Mr. HALEY. 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 Florida?

There was no objection.

Mr. HALEY. Mr. Speaker, I have asked permission to extend my remarks today to pay tribute to a fine young American, Billy Cypress, who just a few days ago, it is believed, became the first member of the Seminole Indian Tribe of Florida to graduate from a 4-year university.

This is particularly noteworthy because Mr. Cypress spoke no English until he was 5 years old and now at age 22 he has graduated from Stetson University with a major in English and a minor in education.

He may have the added distinction of being the first member of his tribe to receive a commission in the Army Reserve Officers' Training Corps.

I have asked permission to include an article about Mr. Cypress which appeared in the publication *Indian Voices*. The article follows:

INDIAN TO GET DIPLOMA, BARS

Billy Cypress, whose Seminole ancestors battled the U.S. Army in the Florida Everglades swamps, will be commissioned a Re-

serve second lieutenant when he graduates from Stetson University.

His ancestors battled the Army from 1835-42 before most of the Seminoles were moved to Oklahoma. Only about 140 escaped deep into the Everglades at the end of the war.

Mr. Cypress was born in an open-air chickee in the Everglades 22 years ago. He is believed to be the first from his tribe to graduate from a 4-year university or receive a commission in the Army Reserve Officers Training Corps (ROTC).

He spoke no English until he was 5 years old. He is considered a fine student and will graduate with a major in English and a minor in education.

CONGRESS HOLDS HIGH REGARDS FOR MAJ. GEN. PERRY M. HOISINGTON

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

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

There was no objection.

Mr. ROGERS of Florida. Mr. Speaker, today marks the last day of active duty for Maj. Gen. Perry M. Hoisington II, of the U.S. Air Force. He is held in the highest regard by the entire Congress not only for the outstanding job he has done as Director of Legislative Liaison for the Air Force, but for the distinguished service he has rendered his country.

General Hoisington was graduated from the U.S. Military Academy in 1939. One year later he graduated from Kelly Field, Tex., to become a pilot in the Army Air Corps. After several years service in a training capacity, General Hoisington joined the first B-29 bomber organization of World War II.

General Hoisington's record of bravery may be easily seen in his combat actions carried out against the Japanese, flying 400 combat hours during 22 combat missions in the China-Burma-India theater of operations. This record resulted in the Secretary of War awarding him the Silver Star. It is particularly noteworthy that General Hoisington flew in the first daylight and nighttime B-29 bomber missions executed against the Japanese mainland.

With this experience, General Hoisington was selected as the first commander of the Atomic Test Center at Kirtland Air Force Base, Albuquerque, N. Mex. His achievements there led him to the Air Research and Development Command, then to assignment with NATO in Europe.

However, the strength of character and dedication to the Air Force which has typified General Hoisington's record was needed by the Strategic Air Command, where for 5½ years he served as commander of four successive air divisions. As the Congress well knows, this vital arm of America's defense calls upon each man to give his utmost, with some personnel being on call 24 hours a day. In this capacity General Hoisington gave his country the same unflinching dedication which exemplified his role in World

War II. His leadership in SAC contributed immeasurably to the defense of the United States.

The Congress is aware of the commendations already bestowed upon General Hoisington. Decorated a total of 12 times, his record includes the Distinguished Service Medal, the Distinguished Flying Cross, and the Air Medal, in addition to the Silver Star. The effectiveness of his service as director of legislative liaison, as well as his sound judgment and professional ability, have reflected the highest credit upon himself and the Air Force.

The executive and legislative branches of the Government have been enhanced by the service of the Maj. Gen. Perry M. Hoisington. It is with great distinction that he retires from active duty, leaving a record of devotion to country which inspires every American.

I am sure that Members of the House and Senate join in recognition of General Hoisington's meritorious career, and wish him equal success for the future.

BIRTHDAY OF THE REPUBLIC OF THE CONGO

Mr. O'HARA of Illinois. 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. O'HARA of Illinois. Mr. Speaker, as chairman of the Subcommittee on Africa of the Committee on Foreign Affairs it is my great pleasure to announce to my colleagues that this is the birthday of the Republic of the Congo.

Mr. Speaker, ahead of the Congo is a future of brilliant achievement. The natural wealth of the Congo, the stout character of its people, and the fact that the Congo is one of the few regions in the world where there is an underpopulation rather than an overpopulation, are only a few of the factors that give assurance of the place of the Congo among the great and powerful nations in the free world of the near tomorrow.

Mr. Speaker, we all wish for the Congo the rich future that nature and the dedication of her men and women would seem so certainly to portend. That the Congo will take its place among the powerful forces for freedom in the world is our hope and prayer.

Mr. Speaker, it was on June 30, 1960, that one of the largest territories in Africa, the Congo, joined the roster of the world's free nations. In the 5 years which have passed since the Republic of the Congo became independent and began to exercise its rightful sovereignty, we in the United States have come to better understand some of its many problems. We never forget that in the infancy of our own beloved country there were problems.

Five years ago we wished the people of the Congo a happy, prosperous future; we do so again today with the most fervent hope that the next 5 years will be happier and more prosperous, and will

see the final transition of the Congo into a stable and free society.

The Congo is an important nation, strategically because of its location in the heart of central Africa, politically because of its sheer size and population, and economically because of its immense mineral deposits. In fact, the Congo is potentially one of the richest and most important nations on the African Continent: It produces some 50 percent of the uranium, 10 percent of the copper, 30 percent of the palm oil products, 75 percent of the cobalt, and 70 percent of the industrial diamonds which the world consumes. But this means that, in addition to the internal problems which the Congolese have faced, there are the economic issues associated with price fluctuations in these commodities, and the balance-of-payments difficulties which such changes often entail.

Mr. Speaker, I wish to emphasize that never have I wavered in my faith in the future of the Congo and the will and ability of her people to carry on in the best traditions of democracy.

Because the Congo occupies a central position in Africa, it assumes a strategic importance which may, perhaps, some day relegate its mineral exports to a secondary position. As the economic interdependence of the African nations increases, and a transportation and communications network is created to match that continent's growing needs, the central position of the Congo will become ever more important. Even now, her basic wealth, her size and population, have given the Congo an essential role in the future development of Africa. In the hopefully near future there is little doubt that the Congo will have an important position of leadership in the community of independent African nations.

It is a great pity that the immense wealth of the Congo, and its incredible natural beauty—not the impenetrable jungle which we usually imagine, but the mountains, lakes, and plains which most of us never read about—have been only partially utilized. It is our fervent hope that in the free and stable Congo which we all desire, the many resources of this great land will be made available to all its people.

With these hopes, and our ever good wishes we congratulate the Republic of the Congo on its fifth anniversary of independence, and to its distinguished and able minister to Washington, the Honorable Joseph Ugolin Nzeza, we extend expression of our high esteem and affectionate regard.

Mr. TODD. Mr. Speaker, today the Congo observes its 5th year of independence. This former Belgian colony, of all the many African nations which have gained independence since World War II, has had the most difficult, violent and chaotic transition period. Activities in the Congo and the international and domestic conflicts there have been subject to much emotional debate.

I think, however, it is appropriate to note, on the Congo's independence day, encouraging signs of domestic peace, governmental development, and international responsibility. Its new stability gives hope that the Congo may at last be emerging from its time of troubles.

For if it does, the country's enormous natural resources and human potential give promise of a bright future ahead.

It is appropriate, Mr. Speaker, that, on this day marking the independence of the Congo, we commend that country for gratifying progress and stability and express our hopes for future progress.

Mr. MATSUNAGA. Mr. Speaker, 5 years ago today the Congo shed the political bonds that had made it a colonial possession of Belgium for 75 years. Independence Day, June 30, 1960, was a day of jubilation and celebration for the people of the Congo.

Unfortunately, the bright future of this country was soon thereafter disturbed by the specter and fact of civil strife and the threat of secession by some of their larger provinces. Despite the many difficulties which independence brought to the Congo, it is reassuring to report that the dedication of its leaders and its population to the goal of a free, united, and democratic Congo has not flagged. In fact, in view of the very difficult problems which they must face, their dedication is worthy of the highest tribute.

The Congo is young, large, and wealthy, but, unhappily, this has more often contributed to the Congo's problems than it has helped in their solution. The Congo is as large as the United States east of the Mississippi River, an area approximately equal to all of Western Europe, and it is, therefore, not surprising to find communication delays and deficiencies, transport problems, tribal and linguistic diversities, and other problems which all nations face to a different degree—depending on their history and geography.

Some students of the Congo have differentiated up to 300 different languages, not counting the numerous dialects and subdialects that each language may have. The Congo is made up of many tribal groups, among the most prominent of which are the Kongo, the Lunda, the Warega, the Mangbetu-Azande, Mongo, Kuba, and the Luba. The problem, inherited by the central Congolese government, of unifying these various tribes of different origins, histories, traditions, cultures, and languages is still present to a great degree.

Yet in presenting some of these problems that have persisted in the Congo for hundreds of years, I would like to emphasize the progress that has been made, and the success of President Kasavubu in organizing and maintaining the central government over the last 5 years.

The legacy of colonialism is a difficult one to live with, as we in the United States know. Thus we sympathize with the people of the Congo as they seek to solve the problems facing them, and we sincerely rejoice when we see progress being made, unity strengthened, secession suppressed, a recovering economy, a hard-working people, and a truly viable and important Congo emerging from its colonial past. Many of these experiences have been shared by the United States and we know and appreciate the extent of the problems that can arise for a nation passing from the shackles of colonialism to its chance for greatness.

As I congratulate the people and leaders of the Congo, then, on the progress that they have brought about, and on the success with which many of these problems have been met, it is with sincerity and a strong belief in the truly great future which is destined for their nation.

Mr. BINGHAM. Mr. Speaker, today is the fifth anniversary of the independence of the Democratic Republic of the Congo, commonly known as Congo—Léopoldville. I think it is appropriate that we should mark this day and that we should extend our congratulations to President Kasavubu, Prime Minister Tshombe, and their associates in the Government and to the people of the Congo.

While the history of the Congo as an independent state has been a turbulent one, we can be thankful on this day that it is a nation and that no major East-West conflict has developed within its vast territory. For these achievements, the United Nations can take a major share of the credit.

It is perhaps ironic that the man who for so long resisted the efforts of the United Nations to preserve the Congo as a unified state is today its Prime Minister. But the degree of Mr. Tshombe's shift of view is in itself a measure of the U.N.'s accomplishment.

In my judgment, history will give due credit to the extraordinary success of the unprecedented and incredibly difficult mission which the U.N. carried out during the first years of the Congo's independent existence. Under the leadership of Secretary-General Dag Hammarskjöld and of his successor, U Thant, an international military force prevented the nation from disintegrating into total chaos and prevented what might otherwise well have been a clash between the great powers. This same operation also made it possible for the many hundreds of technicians from the United Nations and its family of agencies to carry on the essential work of strengthening the Congolese state and its economy and of enabling it to meet its needs for highly educated and trained personnel in all fields of endeavor.

The Congo is a rich country and has a potentially great future. We in the United States extend our congratulations to the Congolese people and our best wishes for a speedy realization of that great future.

Mr. POWELL. Mr. Speaker, today, June 30, is an important day for the 15 million people of the Democratic Republic of the Congo, for it is the fifth anniversary of their independence. We therefore would like to take this occasion to extend warm felicitations to the Congo Republic; to His Excellency Joseph Kasavubu, the President; His Excellency Moïse Tshombe, the Prime Minister; and to the Chargé d'Affaires ad interim of the Congo Republic to the United States, Joseph Ugolin Nzeza.

The history of the Congo has, unfortunately, been one of turmoil, unhappiness, and foreign interference. Yet, there have been periods of important and successful autonomous rule.

As early as the 13th century, there appeared in the Congo a powerful, unified

indigenous state—the Kingdom of the Bakongo. The kingdom's predominance was greatest from 1500 to 1650. It was during this early period that Europeans first became aware of the Congo.

External influence, inaugurated by the Portuguese Diogo Cão in 1483, led to an unfortunate and extensive depopulation of the Congo Basin by slave traders between the 15th and 20th centuries. The terrible losses and cruelties inflicted upon the oppressed Congolese were finally ameliorated when the slave trade was outlawed in the latter part of the 19th century.

European exploration of the Congo took place mainly under the auspices of King Leopold II of Belgium, whose interest was stimulated by the adventures of Stanley in the 1880's. From 1885 to 1908, the Congo Free State was the personal property of the King. In 1908, however, the King ceded the Congo Free State to the Belgian Government and it remained a Belgian colony until 1960. Finally, after 75 years of Belgian rule, the Congo achieved its freedom on June 30, 1960.

Now, once again, the people of the Democratic Republic of the Congo are free and independent; and are striving to exercise the position of importance and leadership that should be theirs as one of the largest and wealthiest nations in Africa.

Manufacturing, mining, and agriculture are all well developed in the Congo. Income from the export of copper, diamonds, cobalt, tin, coffee, palm oil, cotton, rubber, cocoa, and other products has been well used to build a fine educational system, transport facilities, public and private health centers, and many hydroelectric powerplants.

Agricultural resources have been increased through extensive research that has proved of great value. Last year's total exports rose 4.6 percent and Government gold reserves were also up substantially. As is the case with many of its African neighbors, the Democratic Republic of the Congo has only begun to realize its great potential. Its industrial, mineral, agricultural, and human resources are indeed tremendous.

Unfortunately, these 5 years since independence have not been happy ones for the people of the Congo. Numerous rebellions and civil wars have disrupted the political unity and economic progress of this large country, to the dismay of the Congolese, myself, and the entire world. Now, however, we have great hopes that the worst is over, and that effective leadership will lead to the necessary political stability and economic progress that we all desire to see in this country.

It is, then, with great pleasure that I congratulate the people of the Democratic Republic of the Congo on this, the fifth anniversary of their independence, and I know that in this I am joined by my distinguished colleagues.

GENERAL LEAVE TO EXTEND

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent that any of my colleagues who so desire may have 5 days

in which to extend their remarks on this subject.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

RUSSIAN FISHERY ON AMERICAN SHORE

Mr. WYATT. 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 Oregon?

There was no objection.

Mr. WYATT. Mr. Speaker, our American fishermen in the North Pacific have been besieged from all sides during the past few months. The normal problems of nature have been multiplied many times by threats from abroad. First, we had the devastation to the Alaska salmon fishery caused by the callous disregard of any conservation principles when the Japanese moved their large mother ships into the area adjacent to Alaska to make huge catches of American species salmon attempting to return to Alaskan rivers. Our people have protested and some have even attempted to organize a boycott of all Japanese imports in retaliation. These ships have moved away finally, but early evidence indicates that they have done their damage prior to moving.

Now we have another serious threat, which I feel duty-bound to bring to the attention of the Congress and the American people. For a number of weeks now, Russian mother ships have been operating brazenly close, off the mouth of the Columbia River. We have complained time and again to the State Department. These ships operate as close as 15 miles to the Columbia River lightship. They have satellite trawlers which fish and deliver their catches to the Russian mother ship. They fish with nets and apparently have every modern fishing device.

At my request, our own American fishermen have taken several pictures of these Russian ships, close to the shores of Oregon and Washington, and I have several right here for display. Such experienced and competent fishermen as Jim Parker and Arthur Anderson of Astoria, Oreg., have seen them with their own eyes.

I again call upon our State Department to protest against this Russian fishery on the American shore. I bring this startling discovery to the floor of the Congress to point out how far the Russians have gone, and I must speculate with our fishermen that these Russian fleets may not be so close off our shores for purposes of fishing only.

CONGRESSIONAL BASEBALL GAME

Mr. AYERS. 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 Ohio?

There was no objection.

Mr. AYRES. Mr. Speaker, oftentimes we are so troubled with the serious problems of the world that we forget there is a great national pastime in this country and the public can relax by witnessing a baseball game.

I am very proud to announce, although I know most of you have read the sports pages, that the Cleveland Indians are in first place. They will be at the stadium this evening, playing against the Senators.

Prior to that there will be a game that is always of great interest to the American public. It is one time when the Republicans, even though we are in the minority, have an opportunity to defeat the Democrats.

I refer to the congressional baseball game this evening starting at 6:30. Prior to that there will be a reception in the Rayburn Building. There will be free transportation out to the wonderful stadium that this Congress voted to build some years ago.

We will see you there.

OUTSTANDING OUTDOOR DRAMA IN WESTERN NORTH CAROLINA

Mr. BROYHILL of North Carolina. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

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

There was no objection.

Mr. BROYHILL of North Carolina. Mr. Speaker, this past weekend, one of America's finest historical pageants began its 14th season with the opening performance on June 25 of Kermit Miller's "Horn in the West" at Boone, N.C. The drama will continue nightly except Mondays throughout the summer until August 28, honoring the 203d anniversary of Daniel Boone's pioneering efforts through the Blue Ridge Mountains of North Carolina.

Through the years of its production, "Horn in the West" has taken its place among the handful of great historical dramas being played in outdoor amphitheaters throughout the country which have brought pleasure and a deeper awareness of the great heritage of the American people. We in the Ninth District of North Carolina are proud, indeed, of this colorful spectacle which brings to life the struggles of our forefathers to conquer the frontier and press forward the settlement of the wilderness of the forbidding mountain frontier and the rich land beyond.

Many of you in this Chamber have joined with the tens of thousands of fellow Americans who have relished the exploits of Daniel Boone and his hardy pioneers depicted in "Horn in the West." However, the production of this drama itself is no less interesting, representing as it does the hard work, imagination, and faith of a number of men who believed strongly that Boone's story should be preserved and dramatized.

Indeed, "Horn in the West" is the realization of a dream of the descendants of men and women of the Blue Ridge Mountains whose qualities are so well

characterized by the self-reliant Daniel Boone. In this production, they have formed a medium for collecting, preserving, and transmitting this rich heritage.

The beginning of the outdoor drama institution was the organization of the Southern Appalachian Historical Association, chartered and incorporated as a nonprofit historical organization on December 9, 1951. The officers and board members were elected and committees appointed so that work on the production, which was to be presented for the first time on June 27, 1952, could begin.

Dr. I. G. Greer was elected president; Dr. D. J. Whitener, executive vice president; Mrs. Earleen Pritchett, secretary; and James Marsh, treasurer. Elected to the board of directors were R. E. Agle, Mrs. Constance Stallings, G. C. Robbins, Clyde R. Greene, Herman W. Wilcox, Ralph Winkler, Stanley Harris, and Dr. R. H. Harmon.

A young playwright, Kermit Hunter, author of the successful outdoor drama, "Unto These Hills," was commissioned to write the script. After considerable research, the play was written and the title selected—"Horn in the West."

And there was a theater to be built. A site had to be chosen. All available land in the area was inspected by various members of the association. A location on the property of Jones Winkler was chosen. A perfect setting for the amphitheater was found in a mountain grove behind the Winkler home. Land had to be cleared for parking areas, the grounds had to be landscaped and the theater, itself, had to be constructed. Three separate stages were to be built so that not only the panoramic effect could be achieved but during the playing of the drama one or even two stages could be set while the third was being used.

During 3 short months from March to June, a miracle took place. The show was completely put together. A magnificent outdoor theater seating 2,500 persons was constructed. This 3-month feat came about through the cooperation and spirit of teamwork exercised by civic-minded members of the entire town of Boone and Blowing Rock. It was, in some aspects, the same type of teamwork exercised a few hundred years ago by their forefathers who conquered the wilderness and built an empire.

Today, the "Horn in the West" outdoor drama is still sponsored by the Southern Appalachian Historical Association. Several persons who participated in the creation of the drama are still on the board. Dr. I. G. Greer is president. Dr. R. H. Harmon is executive vice president of the board's executive committee. Other officers are Sam Dixon, second vice president; Mrs. B. W. Stallings, chairman of the association membership; Lynn Holaday, treasurer; and Bob Allen, curator. Last year the association sent historical information, "Daniel Boone, the Empire Builder" to every intermediate, junior high, and high school teaching American and State history, inviting them to submit essays for cash prizes. One thousand essays were entered.

General manager of "Horn in the West" is Herman W. Wilcox, also an original officer of the association. John Corey is public relations consultant.

It is my hope that, as you travel through the magnificent mountains of North Carolina this summer, you will have the opportunity to pause for an evening at Boone, situated only a short distance from the Blue Ridge Parkway, to relive at a performance of "Horn in the West" a time in our national experience when firm foundations of this great Nation were being put down.

LETTER FROM A SON IN VIETNAM

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

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

There was no objection.

Mr. STAGGERS. Mr. Speaker, the Morgantown Post, a newspaper published in Morgantown, W. Va., has just printed a letter from a soldier fighting in Vietnam to his father. This young man is a worthy exponent of West Virginia realism. He loves his country, and he knows what that country has done for him. He has not had the advantage of a college training, but he seems to have learned a number of things that some of our pampered youth in college have not been taught. His letter shows clearly that he understands full well that liberty must be defended in every generation. He understands that our political and social institutions, with all their blessings to the American individual, are not free and inalienable gifts, but must be fought for continuously, or they will be lost forever.

As long as America produces young men like this one, we are safe. I am sorry I cannot say as much about either the youth or the older generation who do not value their heritage enough to defend it. I think this letter should contribute to national morale, and include it in the RECORD:

SABRATON DAD GETS A BIG THANK YOU, REPORT ON VIET CONFLICT—LETTER FROM SON IN VIETNAM BRIGHTENS FATHER'S DAY

(EDITOR'S NOTE.—A1c. David N. Musick, 21, son of Mr. and Mrs. John R. Musick of Sabraton, has been in Vietnam since April 11. His wife, Lana, and two children live at Randolph Air Force Base, San Antonio, Tex. Airman Musick, a 1960 graduate of Morgantown High, wrote this letter, which arrived in time to make the older Musick a proud and happy father.)

JUNE 15, 1965.

TO THE MOST WONDERFUL FATHER IN THE WORLD:

Well, Dad, seeing as how Sunday is Father's Day, and they don't have any Father's Day cards here, I thought I would write you a letter. I don't think I have ever written a letter to you personally, have I?

Things over here are pretty much the same except the Vietcong are stepping up their activities in the south and the Soviet Union is flying bombers into Hanoi, that is the capital of the Vietcong. I think things will get worse over here before they get better.

I feel very proud being able to help in the cause over here. I can truly say that I have fulfilled my obligation to my country when

my tour is over. Some people in the United States are against the United States being in Vietnam. Mostly college students. I think they are just afraid that they will have to come over here and fight. I think we are doing the right thing though. If the people back there only knew how awful the Communists are over here, they would be more than glad to come and fight to prevent the spreading of communism. We had to make our stand somewhere.

The other day, the Vietcong stopped a schoolbus outside Saigon and took a little 7-year-old girl off the bus and chopped every one of her fingers off because they didn't want the children attending the school that they were because they were teaching them the right things in life and they wanted to give people an example of what might happen to their children if they continued to go.

I'm sure those people in the United States wouldn't want this. If they could only see the looks on mothers' faces standing helplessly by watching the Vietcong torture their sons and husbands, dismantling their bodies, raping their daughters. People in the United States seem to think along the lines of "Well, it will never happen here, the hell with other people." I'm talking of the people who don't want us over here. But it surely will happen if we don't continue to fight it. I'm willing to go to any extremes to insure a safe country for my babies and Lana.

We have so much to be thankful for. So many people fought in World War II and died so that we could have a free country. I wish everyone could be at peace, but I guess that will never be. I watched a funeral the other day for eight servicemen killed over here. I just about cried. It seems so terrible to have to die in this lonely place away from your loved ones.

Dad, I think we children are among the luckiest children in the world to have such wonderful parents. I know at times you didn't think we appreciated all that you have done for us, but now that I am grown up and understand just how wonderful a father you have been, I am so thankful. I know there were times that I made you mad and I am sorry for this.

There are so many neglected children in this world. That's one thing we have never known. You worked so hard for your family to provide a nice home, food, and clothing. If there were only some way to repay you Dad, I surely would. But there are no words of thanks or any amount of gifts we could give to you to repay you for all the love and understanding you have shown us. I just pray to God that I can raise my children and do as good a job as you and mom have. I love you both so very much.

Thank you for everything you have ever done for us children, Dad. You are the most wonderful father anyone could ever ask for. I love you.

Your son,

DAVID.

THE LATE ED LYBECK

Mr. ROOSEVELT. 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 California?

There was no objection.

Mr. ROOSEVELT. Mr. Speaker, on June 26, 1965, my field representative, Ed Lybeck, suffered a fatal heart attack. He had been my field representative since January 3, 1955, when I was first elected to Congress from the 26th District of California.

To say that Ed performed his job with expertise, dedication and loyalty is not enough. There was infinitely much more that he gave to the office and constituents, to the community, to his family and friends—and to me. Ed was known as a practical politician with ideals and dreams. He was honest and candid, but always patient and understanding, willing to help in any situation. His wit was legendary.

Ed Lybeck's death is a very deep personal loss to me, for he has been a true friend in need and in deed over the years, sharing my political and personal problems—and always available to counsel and advise. And, as any Californian in politics or in State, county, and city government will verify, Ed Lybeck's views and comments have been sought and respected by more people than any of us will ever know.

The accuracy of his analyses was due to a wide and varied background—with experiences including newspaper reporting, author, seaman, Government service with the NYA, city housing, and campaign management. Coupled with his keen insight, remarkable memory, almost uncanny perception—and, above all, a sense of responsibility toward his fellowman and his country, Ed Lybeck was truly an extraordinary human being.

Ed was buried in Los Angeles yesterday, and during my trip back, I thought of his family and countless friends who share my sorrow and feeling of loneliness. I share these few thoughts with you because many of my colleagues here were privileged to know Ed Lybeck and I am confident they will want to join me in honoring my beloved friend, and a great American citizen.

I cannot hope to ever find another Ed Lybeck—but I can be grateful for the time together we had, and his memory will forever remain in my heart.

"TRAIL OF THE LONESOME PINE" BEGINS SECOND SEASON JULY 1

Mr. JENNINGS. 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 Virginia?

There was no objection.

Mr. JENNINGS. Mr. Speaker, I would like to call to the attention of the Members of the 89th Congress, and to place in the RECORD, information on a most important event in my district.

On Thursday evening, July 1, the second season of a very fine outdoor drama begins. The "Trail of the Lonesome Pine" will be staged each Thursday, Friday, and Saturday night from July 1 through September 6, in an amphitheater at the June Tolliver House, Big Stone Gap, Wise County, Va. This drama is an adaptation of the famous novel of John Fox, Jr., by Mr. Earl Hobson Smith, of Harrogate, Tenn. It was first produced last year and was excellent in every respect.

I had the privilege of attending one of the performances last year. I plan to be there again on Saturday night to enjoy

the work of the many people who participate to make this project a success.

I am proud to represent the many people involved in producing the "Trail of the Lonesome Pine." They have planned and performed the entire project with ability, initiative, courage, and spirit that are typical of the people of the area. It has been, in every sense of the word, a "bootstrap" effort. The results have been excellent for the economy and the success of the project has strengthened the determination of this area to promote economic growth and development. In this instance, they have produced a fine drama and have made a very significant contribution to the culture of the region.

To further explain the pride we have in this drama, it not only is based upon a book written by John Fox, Jr., who lived at Big Stone Gap for many years, its setting is in Wise County, where the town of Appalachia is located. We have all heard of the Appalachian region during the past few months. This is a part of Appalachia and I want my colleagues to know that we produce fine and talented people, and that we have a project here that is all local and has not required any Government funds. There has been much discussion about the use of local scenic attractions and activities to bring tourists to a specific area as a means of economic development. This is being accomplished by the Big Stone Gap area residents, who have all pitched in to make this drama a success.

Mr. Speaker, I would hope that many of my colleagues will find occasion to travel into the southwest Virginia-eastern Kentucky region during the summer. I would tell them that a most enjoyable evening can be spent in Wise County, where the people are friendly, the food and accommodations are excellent, and the entertainment at our outdoor drama superb. I invite and urge them to attend.

An article on this drama recently appeared in the L. & N. magazine, which is published by the famous railroad serving the region. Under leave to extend my remarks in the RECORD, I include the major part of this article.

[From the L. & N. magazine, June 1965]

"TRAIL OF THE LONESOME PINE"—MUSICAL DRAMA WILL OPEN ITS SECOND SEASON IN JULY

Next month at Big Stone Gap, deep in the mountains of Virginia, the curtain goes up on one of America's most unique outdoor musical dramas.

Based faithfully on the book, "Trail of the Lonesome Pine," by Kentucky native, John Fox, Jr., the locally-staged production will be enacted in a setting that is authentic right down to the soft whispering of the wind through the nearby pine trees.

On opening night, July 1, likely all of the 1,000 seats in the amphitheater located on the lawn behind the June Tolliver House (more about this later) will be filled. The drama itself is an effort of those who are natives of the land where the author lived and wrote. Even the cast includes a sprinkling of some who were born during the tumultuous, booming days of John Fox, Jr.'s, stories, and their portrayal of the characters he created are doubly convincing.

Spearheaded by Mrs. Creed P. Kelly, president of the Lonesome Pine Arts and Crafts

Association, the production is being repeated this summer with high hopes of a season even more successful than the first one.

"We have gathered together all possible human resources—talents musical, mechanical, artistic, and dramatic," she said. "We here in Big Stone Gap are surrounded by the beauty of our mountains which Mr. Fox loved so well. With this backdrop, we are inviting as many visitors as possible to stop by this summer and live again with us, those days of yore."

The drama has been adapted by Earl Hodson Smith, chairman of the speech and dramatics department, Lincoln Memorial University, Harrogate, Tenn. It is being presented through special permission of the author's sister, Mrs. William Cabell Moore, the former Elizabeth Fox, only surviving member of the family, and still a resident of Big Stone Gap.

All the familiar characters of the book are in the play: Young June Tolliver; "Devil Judd" Tolliver, the shotgun-totin' head of the clan; Bud, Bad Rufe, and Cousin Dave Tolliver; Jack Hale, Red Fox, and many others. In all, there are more than 25 speaking parts, and the production is augmented by an 18-voice chorus, numerous square dancers and assorted musicians. It will be presented each Thursday, Friday, and Saturday evening through September 6.

There is a great deal of John Fox, Jr., still in existence at Big Stone Gap. Although he is buried in the family plot in a cemetery at Paris, Ky., where he was born (he died in 1919), according to Mrs. Kelly, his spirit still lingers over the mountains of southwest Virginia and eastern Kentucky, an area he loved and where he spent most of his creative years.

Citizens of Big Stone still talk about the author as if they half expect to see him come riding along on horseback, or, at least, come walking down the street accompanied by one or more of his dogs. The home in which he wrote most of his books, still stands near the edge of town, in a grove of trees, mostly pines. His sister, Mrs. Moore, has kept his study and desk just as he left them.

No visit to Big Stone Gap is complete without a stop at the June Tolliver House on Jerome and Clinton Streets. Recently purchased by the association, the house has been carefully restored and furnished throughout with items of the period. An upstairs bedroom was occupied by young June's real-life counterpart when she came to town to attend school. The house is open daily except Mondays, and visitors on the free, conducted tours, may look from the same window through which June looked one moonlit night during a romantic episode in the book.

The association, a nonprofit organization, is attempting to preserve the cultural heritage, crafts and traditions of the proud mountain people of that area. Classes in many of the creative arts, are held at the June Tolliver House, including painting, quilting, weaving, pottery, ceramics and other crafts of mountain life, using resources available in the vicinity. Instructors volunteer their time and abilities and freely share their knowledge with others. In a showroom on the first floor, the handmade articles are on display and available for purchase. One is assured of finding authentic items designed and produced by skilled mountain craftsmen.

There is a lot to see in the John Fox, Jr., country, and a visit to this dramatic offering this summer is a good way to begin a tour that will take you well "along the Trail of the Lonesome Pine."

to include letters, tables, and materials furnished by the Wage and Hour Division of the Department of Labor.

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

There was no objection.

Mr. ROOSEVELT. Mr. Speaker, on June 15, 1965, I submitted for the RECORD certain responses of the Department of Labor to questions raised during present hearings on proposed amendments to the Fair Labor Standards Act.

I herewith submit 12 additional responses, and a supplement to data in the June 15 RECORD, for the information of my colleagues and the general public.

I consider this legislation so important, and its impact so great, that I want to keep everyone apprised of developments.

I include this data following my remarks:

U.S. DEPARTMENT OF LABOR, WAGE AND HOUR AND PUBLIC CONTRACTS DIVISIONS,

Washington, D.C., June 28, 1965.

HON. JAMES ROOSEVELT,
General Subcommittee on Labor, Committee on Education and Labor, U.S. House of Representatives, Washington, D.C.

DEAR CONGRESSMAN ROOSEVELT: This completes our response to the economic questions raised when Secretary of Labor Wirtz appeared May 25 and 26 before the subcommittee to testify in support of H.R. 8259 and related bills.

The transmission includes answers raised with respect to the following:

1. Extent of overtime work in major manufacturing industry groups and in wholesale trade lines—particularly by low-wage employees.
2. Plant expansion due to double time.
3. Extent of overtime in industries proposed for coverage under H.R. 8259.
4. Repeal of section 13(a)(15) exemption for logging employees.
5. Resort hotels—indications of a recent trend to extending periods of operation.
6. Business failures—recent trends.
7. Tabulation showing employees not now protected by FLSA and the number who

Wage relationship between employees working more than 40 hours a week and those working fewer hours, manufacturing industry groups and wholesale lines, United States, March 1964.

	Percent of non-supervisory employees who worked overtime	Percent of nonsupervisory employees earning specified amounts of pay who worked overtime			Average hourly earnings of overtime workers as a percent of average hourly earnings of employees working 40 hours or less
		Less than \$1.30	Less than \$2	\$3 or more	
Manufacturing industry groups:					
Food and kindred products.....	39	10	44	13	96.9
Tobacco manufactures.....	18	11	64	5	89.5
Textile mill products.....	38	5	82	(1)	103.0
Apparel and related products.....	18	19	76	6	100.0
Lumber and wood products.....	36	18	59	6	97.4
Furniture and fixtures.....	38	12	75	(1)	87.9
Paper and allied products.....	41	(1)	20	12	105.8
Printing, publishing, and allied industries.....	21	6	35	34	98.9
Leather and leather products.....	25	13	70	(1)	102.3
Stone, clay, and glass products.....	33	7	37	12	95.3
Fabricated metal products.....	33	(1)	40	15	95.0
Machinery, except electrical.....	35	(1)	21	25	99.6
Professional instruments.....	26	(1)	22	26	105.9
Miscellaneous manufacturing industries.....	26	6	51	9	105.5
Wholesale trade lines:					
Drugs and chemicals.....	31	6	49	6	93.5
Dry goods and apparel.....	16	11	64	4	84.6
Groceries and related products.....	42	21	57	7	91.5
Farm products—raw materials.....	34	28	82	2	86.1
Hardware, plumbing, and heating.....	35	8	53	10	95.0
Machinery, equipment, and supplies.....	27	7	38	21	94.7
Miscellaneous wholesalers.....	32	13	53	13	89.6

¹ Less than 5 percent.

NOTE.—Data are shown separately for each group for which they are available.

PROPOSED AMENDMENTS TO THE FAIR LABOR STANDARDS ACT

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

would be brought under the minimum wage after enactment of H.R. 8259.

8. Full-time student regulations (sec. 14), statement re age limitation.

9. Management trainees—comments on language in H.R. 11838 (88th Cong.).

10. Profits in laundry and drycleaning plants.

11. Handicapped worker certificates for the aged.

12. Retail workers under union contracts.

Some questions raised at the hearings with respect to certain legislative matters are still being reviewed.

Sincerely yours,

CLARENCE T. LUNDQUIST,
Administrator.

1. EXTENT OF OVERTIME WORK IN MAJOR MANUFACTURING INDUSTRY GROUPS AND IN WHOLESALE TRADE LINES—PARTICULARLY BY LOW-WAGE EMPLOYEES

Reports on the March 1964 nationwide surveys of manufacturing and wholesale trade have been transmitted to the Congress. These reports show not only the extent to which hours over 40 per week are prevalent but also the extent to which overtime is worked by employees at the lower end of the wage scale.

In the attached table we have listed for each major manufacturing and wholesale trade industry group for which separate data are available the percent of all nonsupervisory employees in the group who worked over 40 hours a week as well as corresponding percents for workers who earned (a) less than \$1.30 an hour, (b) less than \$2 an hour, and (c) \$3 or more an hour. In addition, we have computed average hourly earnings for employees working over 40 hours a week as a percent of average hourly earnings of workers working 40 hours or less.

The data indicate that average straight time hourly earnings for workers working overtime were lower than for those who worked no overtime in 8 of the 14 manufacturing groups and in each of the 7 wholesale trade lines.

Furthermore, the table shows that in 11 of the 14 manufacturing groups and in each of the wholesale lines a significantly greater proportion of workers who earned \$2 or less an hour worked overtime than was true for workers earning \$3 or more an hour.

2. PLANT EXPANSION DUE TO DOUBLE TIME

There have been no studies which indicate the extent to which a double-time requirement would necessitate expansion of plant facilities. Some witnesses who testified last year on the double time for overtime proposal indicated that plant capacity is a limiting factor in the hiring of employees.

It should be noted, however, that most industries are not operating at full capacity even though we are in the longest, uninterrupted period of peacetime economic growth in our history. The utilization rate as a percent of manufacturing capacity in 1964 was 87 percent. This does not mean that some plants would not be confronted with a problem of adequate capacity but there does not appear to be any general widespread problem. Furthermore, the requirement for double time over 45 hours per week is scheduled to be achieved at the end of 3 years, allowing for building up of capacity.

Recently, plans have been announced for the expansion of plant capacity in industries in which overtime is widespread. For example, one of the major automobile companies has announced plans for additional facilities that will enable them to add 7,800 employees to its payroll. A second company in this industry has announced that outlays for plant and equipment in 1965 will amount to \$1.1 billion. In the steel industry, an important producer has announced that capacity will be doubled in the next 18 months. A large lathe and tool manufacturer has announced that additional construction will boost floor space by about one-half.

3. EXTENT OF OVERTIME IN INDUSTRIES PROPOSED FOR COVERAGE UNDER H.R. 8259

A report on hotels and motels sent to the Congress by the Wage and Hour and Public Contracts Divisions in 1964 indicated that 48 percent of the nonsupervisory workers in selected occupations in hotels and motels worked over 40 hours a week.

In the South, 70 percent of the nonsupervisory employees in hotels and motels worked over 40 hours a week.

Nontipped employees of hotels and motels worked somewhat longer workweeks than tipped workers (bellmen, waiters and waitresses). The proportion of nontipped employees working more than 40 hours was 49 percent; for tipped employees it was 42 percent.

A similar 1964 report on restaurants showed that 44 percent of the nonsupervisory employees in restaurants worked over 40 hours a week.

Sixty-five percent of the nonsupervisory employees in restaurants in the South were working in excess of 40 hours a week.

The proportion of nontipped employees in restaurants working more than 40 hours a week was also higher than that for tipped workers. Almost half of the nontipped employees worked over 40 hours a week and 36 percent of the tipped employees worked these hours.

According to a 1964 report on laundry and cleaning services by the Divisions, 42 percent of the nonsupervisory workers in all laundry and cleaning enterprises actually worked over 40 hours a week. In the South, 54 percent of the employees in all enterprises worked over 40 hours a week.

Employees in these industries have not been subject to either the minimum wage or the overtime provisions. It is assumed, therefore, that a time and one-half overtime provision, if applied to these industries, will act as a deterrent to long hours.

4. REPEAL OF SECTION 13(a)(15) EXEMPTION FOR LOGGING EMPLOYEES

Attached are two statements dealing with the questions raised with respect to the repeal of the section 13(a)(15) exemption for

logging employees. The first statement supplies information on the contract system in the logging industry. The second contains information on recordkeeping in the logging industry and includes examples of other covered industries with employees working away from their employer's place of business for whom records are being kept.

SECTION 13(a)(15) EXEMPTION FOR LOGGING EMPLOYEES

Since the enactment of the 13(a)(15) exemption in 1949, statements have been made that there has been an increase in the contracting out of logging operations by the lumber and pulp companies. Reports of the Southern Pine Association showed that on June 1, 1949, 12 percent of the members reported contracting out their logging operations. By October 1950 the percentage had increased to 28 percent, and on May 1, 1952, the percentage was 29. (Southern pine wages, Southern Pine Association, New Orleans, La., 1949, pp. 2-13; 1950, pp. 2-13, and 1952, pp. 2-12.)

A report of the Select Committee on Small Business of the U.S. Senate on the problems of the independent logging and sawmill industry, based on a hearing held in 1959, states:

"While large lumber and paper mills frequently buy timber and stumpage or own large tracts of timber (tree farms), many of them have transferred this logging function over to contract loggers, who deliver the cut timber to the mills at a contract price per cord or thousand board feet. This has the advantage of shifting risks, eliminating capital investment in logging machinery and equipment, reducing bookkeeping functions, while at the same time maintaining control over costs and quality.

"Some indications show that it has been possible to shift unemployment and workmen's compensation insurance costs." (U.S. Senate, 86th Cong., 1st sess., Rept. No. 240, "The Small Independent Firm's Role in the Forest Products Industry," Washington, 1959, pps. 14-15).

The report also states:

"The small logging industry is made up of nearly 50,000 firms the great majority of which employ less than 20 persons. Some of these firms are contract loggers for large wood-using industries and not truly independent, though no data are available on the extent to which this type of vertical integration exists." (U.S. Senate, 86th Cong., 1st sess., Rept. No. 240, "The Small Independent Firm's Role in the Forest Products Industry," Washington, 1959, p. 54).

The International Woodworkers of America have been studying the contract system in the logging industry, and may be able to supply the committee with this information.

RECORDKEEPING IN THE LOGGING INDUSTRY

The divisions' survey of small logging operations in 1963 showed that in about 80 percent of the operations in both the South and the North-Central States there was some degree of supervision of the work performed by the woodworkers.

Also, most of the workers in the Southern States were paid on the basis of hourly, daily, or other time rates, which would show that time records are being kept.

Woodworkers do not live in the woods, and most of those working at any particular site are transported to the logging site and from the logging site at the same time indicating that they all work the same hours.

Many thousands of employees on lumber operations with more than 12 employees are operating under similar woods conditions and are being paid in accordance with the overtime provisions of the act, indicating that it is possible to determine the working time of employees.

The logging industry employs timber cruisers, estimators, and evaluators who work away from their employer's place of business, without supervision, and they have not claimed any difficulty in determining their working time.

All lumber and pulpwood operations must keep records these days for income tax, OASI, and unemployment insurance purposes. The recordkeeping requirements of the divisions are not any more arduous than these are.

Many thousands of employees in other industries are working away from their employer's place of business under conditions of indirect or remote supervision. Records of their working hours have been kept and they have been paid overtime rates in accordance with the provisions of section 7 of the act for the past 25 years. The following is a sample list of some of these workers:

Telephone installers, repairmen, linemen, cable testers, coin box collectors; appraisers of real property; patent and title searchers; outdoor advertising workers, including billboard men, sign painters, letterers; detectives and credit investigators; newspaper, TV, and radio reporters and photographers; aerial photographers and crop dusters; painters, paperhangers, plumbers, well diggers; manufacturers' representatives engaged in assisting dealers in displaying merchandise; insurance agents and claims adjusters; canvassers and poll takers; demonstrators of various equipment; debt collectors and claims adjusters; credit checkers; comparison shoppers and employees of companies engaged in checking on the honesty and efficiency of store employees; surveyors; guards, watchmen, and alarm answerers; servicemen for coin operated machines and coin collectors; glaziers; awning installers; cesspool cleaners; deliverymen; outside buyers; elevator installers and repairmen; carpet and linoleum layers; movers and packers and moving company appraisers; bank and Western Union messengers; exterminators; farm machinery repairmen; furnace cleaners and repair and installation men for business machines, electrical equipment, air-conditioning equipment, plumbing and heating equipment; research workers for research agencies, social, scientific, and educational; nursery workers and tree trimmers.

The divisions are ready to help employers with special difficulties in complying with the law to work out their problems so as to operate within the law.

5. RESORT HOTELS

Census data indicate a trend for resort hotels to operate for longer periods of time. Since 1958, the number of hotels and motels has increased by 10 percent, but the number operating less than 9 months has decreased by about 10 percent. Newspaper advertisements in travel sections of the papers show that in the Miami area and other southern beach vacation area resort hotels are now open year-round.

Resort hotels in mid-Southern areas, according to a 1961 article in *Hotel Monthly* and a 1962 issue of *Newsweek*, are introducing snow-making equipment to provide snow for skiing. Resort hotels have also gone out for convention business.

The Department's survey showed that the average straight-time hourly rate of pay for nonsupervisory employees in resort hotels and motels with \$250,000 or more in annual sales was \$1.25 an hour in June 1963. Nontipped employees were paid an average rate of \$1.38 an hour, tipped employees 78 cents an hour.

The proportion of employees working over 40 hours a week in resort hotels with annual sales of \$250,000 or more was 72 percent. Thirty-two percent of the employees worked exactly 48 hours. Six percent worked more than 48 hours.

6. BUSINESS FAILURES—RECENT TRENDS

There is no evidence of an increase in business failures. On the contrary, according to Dun & Bradstreet data, the number of business failures has been declining since 1961. In 1961, 17,075 businesses failed; in 1962, 15,782; in 1963, 14,374; and in 1964, 13,501.

In 1965 the number of failures has continued to decline. In the first 5 months (through the week ending May 27) there have been a total of 5,864 failures. This is a weekly average of 279 as compared with a

weekly average of 287 for the same period of 1964.

7. TABULATION SHOWING EMPLOYEES NOT NOW PROTECTED BY FAIR LABOR STANDARDS ACT AND NUMBER WHO WOULD BE BROUGHT UNDER THE MINIMUM WAGE PROVISIONS OF FAIR LABOR STANDARDS ACT BY H.R. 8259

Data are presented by industry and category of employment. The last column shows the distribution of the 13.1 million employees who will still not be covered.

Estimated number of nonsupervisory employees not now protected by the Fair Labor Standards Act and the number who would be brought under the minimum wage provisions of the Fair Labor Standards Act by H.R. 8259

[In thousands]

Industry and category	Estimated number of employees, by coverage status		
	Total number of non-supervisory employees not covered or exempt ¹	Employees added to coverage by proposal	Employees who would still be noncovered or exempt
All industries.....	17,667	4,561	13,106
Retail trade, excluding restaurants.....	3,642	1,500	2,142
Food service.....	118	100	18
Auto and farm equipment dealers.....	711	600	111
All other retail trade (except restaurants).....	2,813	800	2,013
Hotels.....	549	275	274
Restaurants.....	1,753	425	1,328
Laundries.....	505	175	330
Hospitals and nursing homes.....	1,008	890	118
Motion picture theaters.....	114	75	39
Local transit.....	15	10	5
Contract construction.....	616	250	366
Mining.....	5		
Manufacturing ²	524		
Transportation, communication, and utilities ³	53	650	6,600
Wholesale trade.....	885		
Finance, insurance, real estate.....	646		
All other services.....	5,137		
Agriculture and fisheries.....	1,882		1,882
Agricultural processing in area of production.....	90	90	
Cotton ginning.....	34	34	
Small logging.....	87	87	
Taxicabs.....	122	100	22

¹ 1964.

² Excluding small logging.

³ Excluding local transit and taxicabs.

8. FULL-TIME STUDENT REGULATIONS—SECTION 14 STATEMENT RE AGE LIMITATION

Issuance of certificates to employ students above 18 years of age without any age limitations under the "full-time student provisions" of section 14 of the Fair Labor Standards Act at less than the minimum wage would foster the exploitation of such students, and would discriminate against non-students of the same age who are seeking work. About 5 million young people who are not attending school are in the labor force. They compete for jobs with all other workers. If employed in covered industries—and millions of them are—they must be paid at least \$1.25 an hour. The Department of Labor believes it is wrong to grant an exemption under the Fair Labor Standards Act allowing the generally select group of young persons who go on to college to be employed at rates below the statutory minimum wage.

Their youth, training, and desire for employment places them in direct competition for jobs which others in the labor market are seeking. They can be and are used to replace breadwinners seeking employment. The Department does not believe that because of their status as college students they should be given an added advantage in competing with others in the labor market by being able to offer themselves at rates of pay which are below the minimum wage. Such an advantage added to the other advantages that flow from being college trained is unnecessary and in fact unfair to those less fortunate persons who must seek employ-

ment without the advantages of having additional schooling.

The Department of Labor strongly urges that the "full-time student" exemption in section 14 of the Fair Labor Standards Act not be expanded.

9. MANAGEMENT TRAINEES—COMMENTS ON LANGUAGE IN H.R. 11838 (88TH CONGRESS)

H.R. 11838 of June 30, 1964, would have provided for the issuance of special certificates under section 14 of the Fair Labor Standards Act authorizing, under specified limitations, the employment of management trainees in retail or service establishments without payment of overtime compensation.

Public hearings were held by the Wage and Hour and Public Contracts Divisions in 1963 on a similar proposal advanced by some employers in the retail industry. Representatives of the following organizations testified in support of the proposal: American Retail Federation, National Association of Food Chains, Grand Union Co., the Lerner Shops, J. C. Penny Co., Mattingly Bros. Co., G. C. Murphy Co., and Variety Stores Association. Representatives of the Retail Clerks International Association, Amalgamated Clothing Workers of America and the AFL-CIO appeared in opposition. It was concluded that there was no justification for a special exemption from the overtime provisions of the act for management trainees.

The employment of management trainees is not peculiar to the retail industry. Highly

developed training programs of this kind are utilized in many industries, and the trainees receive overtime compensation. There is no reason for special treatment of trainees in the retail industry. Historically the exemptions for executive, administrative and professional employees have been denied to employees in training for such positions. The Department of Labor is opposed to an exemption from the overtime provisions for such trainees.

10. PROFITS IN LAUNDRY AND DRYCLEANING PLANTS

In tax returns to the Internal Revenue Service, laundry and drycleaning corporations showed an average net income on business receipts for July 1962–June 1963 of 1.9 percent, not counting executive salaries.

The 1.9-percent net income for laundry and drycleaning corporations in 1962–63 compares with average net income on business receipts of 1.7 percent for retail food stores and 1.8 percent for building materials dealers.

The data for 1961–62 shows that there is a correlation between the size of the corporation and net income. Laundry and drycleaning corporations with assets of less than \$50,000 actually showed a loss of about 0.8 percent during July 1961–June 1962. The net income of those with assets of between \$50,000 and \$100,000 was 0.8 percent and for those with assets of between \$100,000 and \$500,000, 1.6 percent. For size groups of \$500,000 to \$1 million, the figure was 3 percent and for those over \$1 million, 6 percent. The five corporations with assets of between \$10 and \$25 million reported a net income on business receipts in 1961–62 of 8.4 percent. The one corporation with assets in excess of \$25 million showed a net income of 15 percent. Similar data for July 1962–June 1963 are not available.

11. HANDICAPPED WORKER CERTIFICATES FOR THE AGED

During calendar year 1964, a total of only 3,654 handicapped worker certificates were issued under section 14 of the Fair Labor Standards Act. Of these, 1,596 were issued because the workers were handicapped by age. During the first 3 months of 1965, 675 certificates were issued, of which 280 were based on age.

12. RETAIL WORKERS UNDER UNION CONTRACTS

It is estimated by the Bureau of Labor Statistics that 10 to 15 percent of the retail workers are under union contract. Most of the union workers are employed in large establishments which are now covered by the Fair Labor Standards Act.

The Retail Clerks International Association may be able to provide additional information on the extent of unionization of retail workers.

U.S. DEPARTMENT OF LABOR, WAGE AND HOUR AND PUBLIC CONTRACTS DIVISION,

Washington, D.C.

Mr. JAY H. FOREMAN,
Counsel, General Subcommittee on Labor,
Committee on Education and Labor,
Washington, D.C.

DEAR MR. FOREMAN: This is further response to your letter concerning the inquiry which Congressman DENT made regarding the impact of a Federal minimum wage upon imports relative to certain industries.

Table 1 provides information on labor costs, average hourly earnings, increases in wage bills required to raise workers earning less than \$1.50 an hour to \$1.50 an hour, and on recent employment changes in the industries listed in your letter. It should be noted that data were not always available for the

specific industry segments for which data were requested. Data for industry groups including these industry segments were substituted whenever possible.

As indicated in table 1, earnings in many of the industries listed are sufficiently high so that an increase in the minimum wage to \$1.50 an hour, for example, would have little if any effect on wage structures. In 7 of the 10 industries shown, the increase in wage bills required to raise workers earning less than \$1.50 an hour to \$1.50 would be 1 percent or less.

Table 1 also shows that in 9 of the 10 industries employment increased or changed little between 1961 and 1964, the period dur-

ing which the minimum wage went from \$1 to \$1.25 an hour.

Table 2 shows that exports as well as imports of commodities of these industries have increased markedly since 1963 when the \$1.25 minimum wage became effective.

Two recent publications of the Department of Commerce which may be of interest to members of the committee concerned with the foreign trade aspects of minimum wage legislation are enclosed. These are: "Overseas Business Reports" (April 1965), "U.S. Industrial Outlook for 1965."

Sincerely yours,
CLARENCE T. LUNDQUIST,
Administrator.

tion 7(h). Therefore, there would appear to be no need to add another exemption provision to the act in order to make its overtime provisions inapplicable to them.

Sincerely yours,
CLARENCE T. LUNDQUIST,
Administrator.

RECORDS REQUIRED—SECTION 7(h) OF FAIR LABOR STANDARDS ACT
SECTION 516.2

(a) Items required:

1. Name in full, and on the same record, the employee's identifying symbol or number if such is used in place of name on any time, work, or payroll records. This shall be the same name as that used for social security record purposes.
2. Home address.
3. Date of birth, if under nineteen.
4. Sex and occupation in which employed (sex may be indicated by use of the prefixes Mr., Mrs., or Miss).
5. Time of day and day of week on which the employee's workweek begins. If the employee is part of a work force or employed in or by an establishment all of whose workers have a workweek beginning at the same time on the same day, a single notation of the time of the day and beginning day of the workweek for the whole work force or establishment will suffice. If, however, any employee or group of employees has a workweek beginning and ending at a different time, a separate notation shall then be kept for that employee or group of employees.

SECTION 516.28.—EMPLOYEES OF A RETAIL OR SERVICE ESTABLISHMENT EXEMPT FROM OVERTIME PAY REQUIREMENTS PURSUANT TO SECTION 7 (h) OF THE ACT

(a) (1) Identification of all employees paid pursuant to section 7(h), the work assignments and duties of each, together with notation of the time and nature of each change in such duties and assignments.

(2) A notation in the record showing the date when such employee has been notified that he is being paid pursuant to section 7(h) and of the identity of the representative period applicable to him.

(3) A designation of the period chosen as "representative" for each employee or group of employees similarly situated, or of a formula from which the period established for the particular workweek may be identified.

(4) Basis of compensation, such as salary plus commission, quota bonus, straight commission without advances, straight commission with advances, guarantees, or draws, and amount of compensation: For example, "\$50 weekly salary plus PMs and 1-percent commission computed quarterly," "\$60 weekly draw against 5-percent commission on all sales."

(b) (1) For each workweek:

(i) Total compensation paid to or on behalf of the employee for his employment.

(ii) The amount and nature of each payment which, pursuant to section 7(d) of the act, is excluded from the regular rate (these records may be in the form of vouchers or other payment data).

(iii) Hours worked each workday and total hours worked each workweek.

(iv) Regular rate of pay: (As a substitute for this rate, and provided the employer makes the necessary computations when requested to do so by a representative of the Division, an identifying mark may be used to indicate that the rate exceeds the minimum required to qualify for the section 7(h) exemption, part one).

(v) Total amounts paid as a salary, hourly rate, daily rate, etc., and date of payment.

(vi) Total amounts paid as a guarantee, advance, or draw against commissions, and date of payment.

(vii) Total amounts computed as commission or other incentive payments, and date of payment.

TABLE 1.—Employment, earnings, and labor costs in selected manufacturing industries

Selected industry	Industry for which data are available	Gross average hourly earnings, March 1965	Percent increase in wage bill ¹	Employment change, 1961-64 (percent)	Labor costs ²
Steel, specialty steel.....	Blast furnaces, steel and rolling mills.....	\$3.45	(3)	7.3	41
Automotive.....	Motor vehicles and parts.....	3.37	(3)	23.8	31
Electronics, including radio and TV.....	Radio and TV receiving sets.....	2.28	(3)	17.5	31
	Electronic components and accessories.....	2.19	(3)	9.5	34
Textiles.....	Textile mill products.....	1.84	3.7	-3	45
Handmade glassware.....	Glassware, pressed or blown.....	2.57	.2	10.8	40
Flat glass.....	Flat glass.....	3.51	41.0	3.1	43
Fine china.....	Pottery and related products.....	2.34	41.0	-6	49
Walnut veneer.....	Veneer and plywood plants.....	2.30	44.2	7.9	54
Farm products processing.....	Food and kindred products.....	2.45	2.2	-4.0	24

¹ Estimated increase in hourly wage bill required to raise workers earning less than \$1.50 to \$1.50 an hour, March 1964 survey of manufacturing industries.

² Production worker wages as a percent of value added by manufacture, 1962.

³ Less than 1 percent.

⁴ Wage bill increase relates to major industry group which includes selected industry.

TABLE 2.—U.S. imports and exports of selected commodity groups, 1963 and 1964

(Value in millions of dollars)

Commodity group	1963		1964		Percent change, 1963-64	
	Imports	Exports	Imports	Exports	Imports	Exports
Total (imports for consumption or domestic exports).....	\$17,004	\$23,066	\$18,600	\$26,086	+9	+13
Food and live animals.....	3,399	3,569	3,489	3,983	+3	+12
Telecommunication apparatus.....	211	473	224	501	+6	+6
Automobiles and parts.....	566	1,482	687	1,664	+21	+12
Veneers, plywood, and other wood, worked.....	152	(1)	188	(1)	+24	(1)
Glass, glassware, and pottery.....	135	(1)	163	(1)	+21	(1)
Iron and steel mill products.....	601	513	714	650	+19	+27
Textiles, other than clothing.....	679	491	683	581	+1	+18

¹ Not available.

Source: U.S. Department of Commerce, "Overseas Business Reports," OBR 65-20, "United States Foreign Trade, 1963 and 1964" (preliminary), April 1965.

U.S. DEPARTMENT OF LABOR, WAGE AND HOUR AND PUBLIC CONTRACTS DIVISIONS,

Washington, D.C.

HON. JAMES ROOSEVELT,
Chairman, General Subcommittee on Labor, Committee on Education and Labor, House of Representatives, Washington, D.C.

DEAR CONGRESSMAN ROOSEVELT: This is in further response to your letter of June 9, 1965, concerning section 7(h) of the Fair Labor Standards Act. During the hearings on May 27, 1965, there was discussion of reporting procedures which must be followed by employers who use the section 7(h) exemption, and you asked whether it would be feasible to simplify the recordkeeping requirements. You also ask for my comments on a specific suggestion that commission salesmen who earn \$6,000 or \$8,000 annually be exempted from the overtime provisions of the act.

Section 7(h) provides an exemption from the overtime provisions for any employee of a retail or service establishment if: (1) the regular rate of pay of such employee is in

excess of one and one-half times the applicable minimum hourly rate, and (2) more than half of his compensation for a representative period represents commissions on goods or services.

The records that employers are required to keep with respect to employees for whom the section 7(h) exemption is claimed are contained in 29 CFR 516.2 and 516.28 (copy enclosed). These recordkeeping requirements were developed after a formal hearing at which the views of both management and labor representatives were obtained. The regulations have been in effect since November 1963, have proved to be adequate to insure that the section 7(h) exemption is applied only to employment meeting all of the tests of the exemption, and are the minimum records required for this purpose. The records need not be kept in any particular form, and much of the information is maintained by employers in the normal conduct of the business or as may be required for insurance or tax purposes.

Commission salesmen engaged in retail selling who earn \$6,000 to \$8,000 annually would ordinarily qualify for exemption under sec-

(2) For each pay period: Total additions to or deductions from wages. Every employer making additions or deductions from wages shall also maintain, in individual employee accounts, a record of the dates, amounts, and nature of the items which make up the total additions or deductions.

(3) For each representative period:

(i) Total compensation paid to or on behalf of the employee for his employment.

(ii) Total compensation paid which represents commissions on goods or services (excluding commissions computed for weeks in which compensation is not actually measured by commissions as set forth in section 779.419 of this chapter).

ARIZONA BUSINESS EDUCATION COMMITTEE DINNER PROGRAM

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

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

There was no objection.

Mr. SENNER. Mr. Speaker, on the evening of June 26, 1965, I was accorded one of those great privileges that become part of the indelible memories we carry with us for the rest of our lives. A group of Arizonans representing business, agriculture, and labor held a testimonial dinner in my honor.

A capacity audience was on hand for the occasion. I am not deluded that the name of GEORGE F. SENNER, JR., was sufficient to fill the dining hall to overflowing. The real drawing card was the guest speaker, the distinguished Secretary of Agriculture, Orville Freeman.

Aside from his outstanding qualities as Secretary of Agriculture, Mr. Freeman is a magnetic and compelling orator. His speech that evening, dealing with Vietnam, was one of the finest I have heard and certainly warrants the careful consideration of my colleagues.

ADDRESS BY SECRETARY OF AGRICULTURE ORVILLE L. FREEMAN AT ARIZONA BUSINESS EDUCATION COMMITTEE DINNER PROGRAM HONORING CONGRESSMAN GEORGE F. SENNER, JR., SUNDOWNER MOTEL, GOODYEAR, ARIZ., SATURDAY, JUNE 26, 1965

Just a few hours ago I attended a luncheon program which marked the start of Tucson's municipal election campaign.

The event was sort of an anniversary for me. It was just 20 years ago that I became involved in administration of city government—as assistant to the mayor of Minneapolis. You know that former Minneapolis mayor—today he's called Vice President of the United States.

Regardless of which political party wins in the Tucson election, the officers selected will represent all the people of the city. And, because of victory in a free election, each of them will acquire greater community status along with opportunity to exercise abilities in policymaking, in public administration, in leadership.

All will move freely, speak freely, and know no fear in identification with government.

I couldn't help comparing the role of the community leader in this State—and all the other States of the Nation—with the situation a man or woman of similar dedication, purpose, and will to serve fellow citizens faces in a faraway but well-known Republic called South Vietnam.

There the official who assumes responsibility for the maintenance of law and order,

who seeks to achieve a consensus on the utilization of common resources to create a better community life, immediately finds his life—and the lives of members of his family—in danger.

He becomes the prime target of Communist infiltrators who seek to replace law and order with anarchy, substitute chaos for progress, and—if it serves Communist ends best—he becomes the target for their bullets, knives, or both.

It is in South Vietnam that the newest phase of Communist aggression—infiltration, sneak assault, and the destruction of order in government by bringing fear and death into its operation at the community leadership level—is being demonstrated to the world.

It is in South Vietnam that this new Communist approach to world domination, under the Red label of "war of national liberation," is getting its trial run. And the success, or failure, of the trial will have a great effect on the kind of world in which you and I and our children and grandchildren will live all the days of our years, and their years.

We can have a future marked by strengthened peace, greater freedom, and greater opportunity for all men and women and children to live decently and in dignity—or we can know continuing war and destruction, hate and fear.

It is your Government and mine that has had thrust upon it leadership in the task of broadening peace and enriching freedom for all the world by stopping this new approach to Communist domination—just as it accepted leadership in stopping Communist assaults upon Berlin and South Korea, Turkey, and Greece.

The United States is not alone in this great effort. The winds which ripple flags in South Vietnam today find not only the banners of the Republic of South Vietnam and the United States of America, but the flags of 30 other nations giving open—and many of them growing—support to the cause of peace and freedom. And we have the spiritual, intellectual, and political support of nearly 40 additional nations.

The situation in South Vietnam, and our role in it, occupies the minds and hearts of most Americans these days. And because it is a focal point in national policy, we discuss it and debate it.

I have no more quarrel with public debate over foreign policy of our Nation than with debate over whether the cities of Tucson and Phoenix shall or shall not build new schools and hospitals or use a commissioner or council or city manager form of government, or a combination of them.

Our system of government functions that way. We reach decisions through free and open discussion of the need for action, and the alternative approaches for response to the need.

However, as that debate swirls around us in teach-ins, in the views of editorial writers and columnists and discussions in the Halls of Congress and on radio and TV, the conscientious citizen seeking truth and understanding so he can contribute to constructive policy and action should ask himself certain questions:

1. Why is it that some of the most articulate critics of the present policy attack the careful, measured bombing of military targets designed to stop mass infiltration of men and weapons into South Vietnam in violation of the Geneva agreements, yet largely ignore the terror, brutality, and violence of the Vietcong invaders?

2. Why do these critics seem to shy from, or totally ignore, the efforts of our President to get Hanoi and Peking and any other involved government to the peace table? And why do they appear to downgrade the efforts of responsible national leaders in

the non-Communist world aimed at achieving meaningful negotiation leading to peace?

3. Why do they seem to prefer the extremes of withdrawal or all-out military measures to the positive approach of readiness for unconditional discussions, coupled with the determination to do what is necessary, no more and no less?

The most vivid, established facts in the debate—the anchor points in the sea of words and opinions—are these:

1. The United States has a realistic, time-tested policy for southeast Asia and South Vietnam; and,

2. We have, in concert with the freedom-loving peoples of that area and the rest of the world, a purpose in South Vietnam.

The policy is to stop Communist infiltration which has no aim other than conquest, and provides the peoples of the developing nations freedom and opportunity to chart their destinies for themselves in their own ways.

The purpose is to strengthen all the qualities that go into the creation and perpetuation of world peace.

Over the years since World War II we have made commitments to the nations of the world which share that policy, that purpose. These commitments were made in the same good faith they were accepted, and they are commitments this Nation can and will meet.

We are in South Vietnam not to win a war, but to win peace.

We are not there to conquer—we are there to help a freedom-loving people, at their request, create a situation in which freedom can be the foundation for their construction of a decent and dignified society.

We are there because if Communist infiltration is allowed to remove the heart and muscle from weak governments, the strong will be weakened in the same operation.

In South Vietnam we are acting as a responsible nation in response to pledge and to duty. There is nothing in such response that contributes to comfort and smugness. Opposed to war, wanting only that all people have opportunity to know the world of abundance, we would like to be done with the sad, unpleasant, distressing business of fighting. We know that in studied, careful approach to the task before us we are not utilizing our maximum physical strength. We wish South Vietnam itself might have more stable government.

We hope and pray, each hour of the day, that Hanoi and Peking will show compassion for the people of both North and South Vietnam and respond to the many and repeated negotiation offers made in good faith by our President—respond to the opportunity for obtaining our help and the help of other nations in the meaningful development of southeast Asia so vividly projected by our President.

Yet they continue responding in negative hysteria, if at all.

Still, patience as well as power can be a factor in progress—and they can be operated in combination. Firmness can be demonstrated by stamina as well as by speed.

The achievement of peace through the use of power with patience and reason, through firmness based on stamina, can be more difficult than prosecuting total war—because creating an atmosphere of negotiation puts emphasis on exploration as well as explosion.

I have, in the past week, had the privilege of spending a more than normal amount of time with the President of the United States.

His vision of the Great Society does not stop at the continental limits of the United States. His dedication to peace has greater depth than the physical protection of this Nation. And the strength he finds to work through each day and many hours of the night is not in the great power and prestige of the Presidency, but in the confidence and support and prayers and responsible atti-

tudes of Americans on every farm and in every community and city of this Nation.

If freedom is right, our President is right. If peace is right, our President is right. If helping every man and child in the world find the gate to opportunity for learning and for earning food and clothing and shelter is right, our President is right.

Only if we believe those principles and goals are wrong can we turn our backs on our policy, our purpose, our pledges, our potential in South Vietnam.

Let us not be faint of heart. Courage, wisdom, and determination must be ours if—once again—freedom and peace are to prevail and totalitarianism fall in its newest effort to dominate the world's peace.

INSURING ADEQUACY OF THE NATIONAL RAILROAD FREIGHT CAR SUPPLY

Mr. FOLEY. 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 Washington?

There was no objection.

Mr. FOLEY. Mr. Speaker, I am introducing legislation today to amend section 1(14)(a) of the Interstate Commerce Act to insure the adequacy of the national railroad freight car supply, and for other purposes.

The Western States are facing the worst freight car shortage in two decades. This afternoon the other body passed corrective legislation under the principal sponsorship of the distinguished chairman of the Commerce Committee and senior Senator from Washington, Senator MAGNUSON.

The legislation which I have introduced follows similar lines. It would relieve the shortage that is felt critically by industry, by small business, by grain farmers and stockmen, and other agricultural and horticultural interests in the Western States. Mr. Speaker, unless the House acts soon, very serious economic losses will occur.

I sincerely hope that the distinguished Committee on Interstate and Foreign Commerce of the House will take notice of the important action of the other body and call public hearings so that this urgently needed legislation can be considered by the committee at an early date.

CAPTIVE NATIONS WEEK

Mr. TALCOTT. 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 gentleman from California?

There was no objection.

Mr. DERWINSKI. Mr. Speaker, July 18 to 24, 1965, has been designated by the Congress as Captive Nations Week.

During that week the distinguished gentleman from Pennsylvania [Mr. FLOON] will lead the House in a discussion of this most vital subject.

In order to give the Members an opportunity to restudy the program of that

week, I insert in the RECORD at this point a list of the captive nations:

THE CAPTIVE NATIONS

Following is the name of country and people and the year of Communist domination:

	Year
Armenia.....	1920
Azerbaijan.....	1920
Byelorussia.....	1920
Cossackia.....	1920
Georgia.....	1920
Idel-Ural.....	1920
North Caucasia.....	1920
Democratic Republic of Far East (Siberiaks).....	1920
Ukraine.....	1920
Turkistan.....	1922
Estonia.....	1940
Latvia.....	1940
Lithuania.....	1940
Albania.....	1946
Bulgaria.....	1946
Outer Mongolia.....	1946
Serbia, Croatia, Slovenia, etc., in Yugoslavia.....	1946
Poland.....	1947
Rumania.....	1947
Czechoslovakia.....	1948
North Korea.....	1948
Hungary.....	1949
East Germany.....	1949
Mainland China.....	1949
Tibet.....	1951
North Vietnam.....	1954
Cuba.....	1960

Who is next?

South Vietnam, Algeria, Colombia, Congo, Laos, Tanzania, Bolivia, Thailand, the Dominican Republic?

Mr. Speaker, the leadership of the annual Captive Nations Week observance is under the general direction of the National Captive Nations Committee, located at 1028 Connecticut Avenue NW., Washington, D.C., and whose chairman is Dr. Lev E. Dobriansky, of Georgetown University.

Recently Dr. Dobriansky, writing in the Ukrainian Quarterly, discussed the myths surrounding the captive nations. I include his article as part of my remarks:

OUTSTANDING U.S. MYTHS ON THE CAPTIVE NATIONS

(By Lev E. Dobriansky)

("This country must never recognize the situation behind the Iron Curtain as a permanent one, but must, by all peaceful means, keep alive the hopes of freedom for the peoples of the captive nations."—JOHN F. KENNEDY.)

In the spirit of these words uttered by our 35th President, the National Captive Nations Committee in Washington, D.C., has initiated and conducted activities that are designed to prevent any such disastrous recognition from ever coming to pass. It has guided what has come to be known as the broad captive nations movement. The movement has been in existence in this country since July 1959, when the U.S. Congress passed the Captive Nations Week resolution.

For 6 years now this resolution, in the form of Public Law 86-90, has been the basis of steadily expanding Captive Nations Week observances each year. It has also precipitated considerable discussion and increasing thought about all the captive nations in Europe, Asia, and Latin America. Written material on the subject is now quite voluminous. However, there still are numerous outstanding U.S. myths on the captive nations.

An analytic review of these outstanding myths can serve a most instructive and edu-

cational purpose. In many instances it shows how petrified and warped are the various preconceptions held by some of our opinion-makers. When these are viewed objectively and dispassionately, one cannot but wonder about the extent to which their readers and listeners are misled by their groundless and, in several cases, foolish observations. A periodic examination of this kind also demonstrates the blind indifference of many commentators to developments of the most basic significance. It appears for whatever reason that superficial and transient events are of greater moment to them than are evidences of penetrating import to the adversary. Doubtlessly, the latter demand a greater measure of expended intellectual energy, both for some necessary research and detailed analysis.

To appreciate the nature and scope of these myths on the captive nations, it is necessary to consider them against a short background of recent events surrounding the Captive Nations Week observances and of certain well-founded perspectives on the captive nations. Every year since the passage of the resolution notable events regarding the observances have been recorded and elaborated upon.¹ It is sufficient here to take a brief look at some of the highlights during the period of 1963-64. The solid growth of the movement has apparently disturbed a few observers whom we shall consider later. In addition, this concise background will afford many points of contrast and comparison to the mythical notions entertained by these observers.

CAPTIVE NATIONS IN THE RECENT PAST

Months before the 1963 Captive Nations Week was proclaimed, Moscow continued to display its displeasure over the observance of the preceding year. At the very beginning of the year a Soviet Russian weekly raised the question, "Is it not high time to discontinue the 'Captive Nations Week' in the United States?" Its ostensible reason was "That is just as much a dead horse as the 'Hungarian question'."² It is unnecessary to argue the merits of this position for there are none. The suggestion was part of an uninterrupted campaign to bring about a cessation of Captive Nations Week in this country. The Soviet Russian totalitarians thought they would be able to persuade President Kennedy to do this, but they hardly made a dent. The 1963 observance surpassed all preceding years.

Up to that year, for the first time the President issued his proclamation—the fifth since 1959—before the very eve of the week. Quite appropriately, the week was proclaimed immediately after our own Independence Day. Moscow reacted swiftly and sharply. Its Communist Party organ claimed that "the President of the United States, losing his sense of reality, has declared a 'week of the captive nations' and is trying to turn attention away from the struggle of the Negroes for their liberation."³ In this particular year Moscow's propagandists attempted to confuse the captive nations issue with that of civil rights, which is like mixing ice cream with sauerkraut. A Negro Radio Moscow was even set up for the purpose.

The so-called government newspaper in this imperiocolonialist capital also gave vent to the Kremlin's feelings about the observance. The week, it complained, "is a propagandistic trick of the American enemies

¹ E.g., see Dobriansky, Lev E. "Soviet Russian Imperio-Colonialism and the Free World," NATO's Fifteen Nations, Amsterdam, the Netherlands, August-September 1963, pp. 92-97; also "Captive Nations Week 1964," Washington Report, American Security Council, Chicago, Ill., July 13, 1964.

² The New Times, Moscow, Jan. 23, 1963.

³ Pravda, Moscow, July 8, 1963.

of the freedom and independence of nations."⁴

A Russian tyrant is a lover of peace, and an American patriot is an imperialist in this topsy-turvy semantics. Among the underlings in the Red empire, North Korea was about the most vicious that year, smearing the President as a "third class clown" for proclaiming the week and over the same Pyongyang radio calling Captive Nations Week "a despicable animal campaign of the U.S. ruling circles." One of the comical aspects after all this and more was the release on July 15 of a letter by Andrei A. Gromyko to the United Nations Secretary General U Thant concerning the 1965 International Cooperation Year, which had been voted upon by the 1962 U.N. General Assembly. According to the Foreign Minister of the world's worst imperio-colonialist system, 1965 should become the year of "the complete and final liquidation of the disgraceful system of colonialism." Captive Nations Week, with its emphasis on the Soviet Russian imperio-colonialist system, was already underway then.

What was the week like in 1963? Briefly, following the President, over one-half of our State Governors and four dozen mayors proclaimed it. Congressional interest in the movement was the most enthusiastic ever, with over one-third of the House and close to a third in the Senate becoming active members of the advisory section in the National Captive Nations Committee. As in previous years, press coverage was nationwide. The New York Times, the Atlanta Journal and Constitution, Chicago Sun-Times, Dallas Times Herald, the Pittsburgh Press, and numerous others carried the activities of the week. Observances were held across the country, from Boston to Los Angeles, Washington, D.C., to Seattle. Programs in all the major cities were covered by radio and TV. Even internationally, the entire Republic of China observed the week, and Senator Dr. Fetki Tevetoglu submitted the resolution in the Senate of Turkey.

Outstanding examples of the week's activities were recorded in successive issues of the CONGRESSIONAL RECORD.⁵

The 1964 Captive Nations Week was even more impressive. First, let us note some representative comments from the totalitarian Red empire, particularly their chosen propaganda twist for the year. Moscow radio blurted comments about a "passive" observance in the United States, and Izvestia had this to say: "With every passing year 'Captive Nations Week' becomes a nuisance."⁶ A constant reminder of the existence of the captive nations and the hypocrisy of Russian "peaceful coexistence" is, of course, "a nuisance" from Moscow's viewpoint. The commentary even went on to say that "the reactionary American press does not make any mention of it." It also pointed out that "The stupid situation in which the Washington legislators and rulers found themselves is becoming evident even for those who earnestly propagate the imperialistic policy of the United States of America." Making good propaganda use of an immature editorial that appeared in the Washington Post, which apparently in Moscow's eyes is not a part of "the reactionary American press," Moscow compliments the paper for its "realistic understanding of the matter" and for realizing that "in a situation where the relation of power has shifted to the side of socialism, the United States cannot force the peoples of the Socialist countries to adopt its standards without risking the holocaust of a world war."

We'll observe the character of the Post editorial later. It is a prime example of myth making and plain ignorance. Curiously, after all this, Izvestia ends with a longing question, "How long do the Capitol and the White House intend to amuse the world with their absurd plans?" Indeed, how they would like to get rid of the week. Even several weeks after the observance, Khrushchev couldn't restrain himself when, in a speech in Czechoslovakia, he shouted, "In the United States a farce entitled 'Captive Nations Week' is held every year. The people's democratic system has been in existence for 20 years, but the imperialists still ramble on with nonsensical ideas of 'liberating' the nations of Eastern Europe."⁷

As indicated, the 1964 week surpassed all others. President Johnson set a new record by issuing his proclamation on June 20. The proclamation read as follows:

"THE WHITE HOUSE.

"CAPTIVE NATIONS WEEK, 1964

"(A proclamation by the President of the United States of America)

"Whereas the joint resolution approved July 17, 1959 (73 Stat. 212), authorizes and requests the President of the United States of America to issue a proclamation each year designating the third week in July as 'Captive Nations Week' until such time as freedom and independence shall have been achieved for all the captive nations of the world; and

"Whereas the cause of human rights and personal dignity remains a universal aspiration; and

"Whereas this Nation is firmly committed to the cause of freedom and justice everywhere; and

"Whereas it is appropriate and proper to manifest to the people of the captive nations the support of the Government and the people of the United States of America for their just aspirations:

"Now, therefore, I, Lyndon B. Johnson, President of the United States of America, do hereby designate the week beginning July 12, 1964, as 'Captive Nations Week.'

"I invite the people of the United States of America to observe this week with appropriate ceremonies and activities, and I urge them to give renewed devotion to the just aspirations of all people for national independence and human liberty.

"In witness whereof, I have hereunto set my hand and caused the seal of the United States of America to be affixed.

"Done at the city of Washington this 18th day of June in the year of our Lord 1964, and of the independence of the United States of America the 188th.

"[SEAL]

LYNDON B. JOHNSON.

"By the President:

"DEAN RUSK,

"Secretary of State."

In addition, for the first time the Republican National Convention held a unique and highly successful observance of the week in San Francisco. The time of the convention was coincident with the week. Had the Democratic Convention been held then, doubtlessly it too would have staged a fitting observance. Again, as shown by various examples in the CONGRESSIONAL RECORD, most of the State Governors and dozens of mayors proclaimed the week.⁸ The press across the Nation publicized the event, e.g., the Los Angeles Herald Examiner, the Miami Herald, the Chicago Tribune, the Philadelphia Inquirer, the Boston Globe, the San Francisco

⁷ Reuters, Banska Bystrica, Czechoslovakia, Aug. 29, 1964.

⁸ See the 1964 "Captive Nations Week" and House Resolution 14, CONGRESSIONAL RECORD, vol. 110, pt. 16, pp. 20683-20696; also "U.S. Observance of Captive Nations Week"; Aug. 21, 1964, pp. 20156-20164.

Chronicle, the Buffalo Courier-Express, and so forth.

Radio and TV also covered it as, for example, the Georgetown University forum, NBC, the Daily News station in New York, and numerous others. And internationally, the Republic of China witnessed the largest observance ever, and later at the 10th Conference of the Asian Peoples' Anti-Communist League in Taipei, delegates and observers from over 40 nations unanimously passed a captive nations resolution, calling for a World Congress of Captive Nations.⁹ In short, the observance was so passive that some 6 weeks after the observance even Khrushchev kept lambasting the event.

SOME GUIDELINES ON THE CAPTIVE NATIONS

There are many principles and operational guidelines pertaining to the captive nations. Before examining the outstanding U.S. myths on the captive nations, let us consider a few of these here. First, the captive nations in the Red empire stand as our natural allies behind the enemy's lines. Viewed as a whole, they constitute one of the most formidable weapons available to the United States and the free world for the realization of victory in the cold war. Properly supported, they are also a fundamental deterrent against the outbreak of a hot global conflict. In terms of nurtured aspirations for freedom and national independence their existence spells deep-rooted insecurity and uncertainty for the Sino-Soviet Russian empires; their existence as mere conquered nations would serve, with minimum of friction and disturbance, the internal consolidation and further external expansion of these two components of the Red empire.

A prime objective of Soviet Russian diplomacy and propaganda is the systematic deprivation of this powerful weapon to our use and development in the cold war. As the ultimate and decisive power center of so-called world communism, Moscow has for years persistently sought the complete acquiescence of free world interests to the permanent captivity of nations and peoples brought under its imperial yoke and influence since the early twenties. Nonaggression treaties, the abuse of noninterference in "internal affairs" principle, and sheer ignorance on the part of foreign statesmen have been some of the avenues in Moscow's operational approach to this objective. All three, coupled with the exaggerated threat of thermonuclear war, are methodically employed today. So is Moscow's deceptive strategy of "peaceful coexistence," to which Rudyard Kipling gave the answer many decades ago:

"When he stands up as if pleading, in wavering, manbrute guise;
When he veils the hate and cunning in his little swinish eyes;
When he shows as seeking quarter, with paws like hands in prayer;
That is the time of peril—the time of the Truce of the Bear."

Essentially, the tremendous strategic importance of the captive nations to U.S. and free world interests rests on three requisite considerations: (1) a vivid understanding of the total captive nations concept; (2) a consequent appreciation of the most basic source of weakness and vulnerability in Peiping's and Moscow's totalitarian imperial; and (3) a developed recognition of the opportunities provided by the captive nations for paramilitary, cold-war operations beyond the patched-up wall of containment. These three considerations are organically related in the given logical sequence, the full efficacy of one being dependent on its prec-

⁴ Izvestia, Moscow, July 14, 1963.

⁵ See e.g., "Captive Nations Week," CONGRESSIONAL RECORD, vol. 109, pt. 9, pp. 12497-12516.

⁶ Izvestia, Moscow, July 15, 1964.

⁹ "Resolutions of the 10th Asian Peoples' Anti-Communist League Conference," Free China & Asia, Republic of China, December 1964, pp. 32-43.

edent. They make up a structure of thought predicated on the genetic development of Soviet Russian imperio-colonialism and lendable to a ready absorption of new evidential data, including the current Sino-Soviet rift.

Considering the first requisite, the captive nations concept encompasses all the nations that directly or indirectly owe their present state of captivity to Soviet Russian imperialist influence. These include the so-called satellites in central Europe, the numerous non-Russian nations in the Soviet Union, those under Red totalitarian control in Asia, and now Cuba. The concept may seem to be blurred by certain phenomena of state classification, independent action, or geographical distance, but both historically and logically it easily accommodates these apparent qualifications. It also helps to point out critically certain errors of thought made by our officials. For example, in an excellent address delivered by the President the mischaracterization of North Vietnam as a country and the omission of the North Vietnamese desiring the genuine unified independence of the Vietnamese nation, one free of the Red empire, are cases in point.¹⁰

On the matter of political classification, Czechoslovakia and Yugoslavia are not nations but rather, like the Soviet Union, states composed of distinct national entities. The nations within are captive to a totalitarian apparatus imposed originally by Soviet Russian sources. As to independent action, the cases of Yugoslavia and mainland China are often brought forward, although interparty struggles have characterized Poland, Albania, Rumania, Ukraine, Georgia, and others in the past. Regardless of the degree of independence shown, none of these totalitarian apparatuses could endure for long without the ultimate power maintained by the Soviet Union and its Soviet Russian base. Finally, distance may separate Cuba from the captive nations of Eurasia, but the Castro apparatus is increasingly dependent for its survival on Eurasian totalitarian resources. As Castro's sister has pointed out, "We could see as the days passed how the country was being delivered to Russian imperialism."¹¹

An outstanding American misconception is that the only captive nations are those in central Europe. In fact, they constitute less than a third in the growing family of captive nations. This grave misconception is being steadily corrected by the observance of Public Law 86-90 (the Captive Nations Week resolution) which advances the above concept. There is an increasing awareness, too, of the reasons behind Khrushchev's unprecedented explosion in July 1959 over the passage of this resolution in the U.S. Congress. For the first time we officially recognized the complete family of the captive nations and also placed emphasis on those in the Soviet Union, which alters radically the picture most Americans have of this power complex.

The development of the conceptual requisite inevitably leads to a cultivated appreciation of the most fundamental weakness and vulnerability in Moscow's totalitarian imperium. This is the invincible force of patriotic nationalism rampant throughout the entire empire and firmly rooted in the hearts and minds of the captive peoples. When the chairman of the Senate Foreign Relations Committee speaks of "Communist countries * * * beginning to free themselves from the blinders of Marxist-Leninist ideology and to look at the world and at their own societies in somewhat more real-

istic terms," his thinking is 40 years late and, at that, on a beam of misinterpretation.¹² Since the inception of Soviet Russian imperio-colonialism there has never been in reality a monolith of Soviet Russian dominion, whether in the Soviet Union, central Europe, or Asia. The supposed fragmentation of the empire today is just another phase in the continuum of nationalist expression and determination that are even strongly reflected in the various totalitarian apparatuses.

Moscow's foremost problems today are the manifest result of a whole decade of captive nations' opposition and resistance to Soviet Russian imperio-colonialism and the respective totalitarian regimes. Whether in East Germany in 1953 or Ukraine 1950-51, Hungary 1956, or Turkestan 1954, Poland and Georgia 1956 or mainland China 1957, the story written by the people is the same. The cold war has more than one dimension; and the captive nations versus the totalitarian apparatus, ultimately supported by the power of Soviet Russian leadership, is a vital one in the total cold war picture. To the degree we thoroughly explore this dimension, to that extent we shall discern the many opportunities open to us for success in the dimension of our struggle with the combined totalitarian adversary. Involved also in this, as the Holy Father sagely has pointed out, is the condemnation of systems "which deny God and oppress the church, systems which are often identified with economic, social, and political regimes, amongst which atheistic communism is the chief."¹³

Such exploration and detailed study cannot but prepare us for prudent cold-war operations beyond the patched-up wall of containment. It is no wonder that every year Moscow and its totalitarian allies condemn the Captive Nations Week observance. For during this time popular attention is focused on this need, on the ultimate power of Soviet Russian imperio-colonialism, and on the necessity of exposing this power, particularly in the Soviet Union itself. With a fixed orientation toward all the captive nations, we can develop and use economic, diplomatic, cultural, and other instruments, designed to increase the political leverage of individual national assertiveness among these nations and thus intensify the centrifugal forces of nationalism within the empire. In this, the prime target would be the U.S.S.R. itself.

Thus, why Captive Nations Week? It is legally provided for in Public Law 86-90; as President Kennedy stressed, it is a tremendous moral symbol signifying that we Americans will never forget or acquiesce; it concentrates on our nuclear spiritual weapons; it is an effective educational medium about all the captive nations, Sino-Russian imperio-colonialism, and the cold war; it affords a wholesome national forum for the discussion of most pressing security issues; and it consistently leads to the crystallization of concrete measures of action. Need one wonder why Moscow and its coterie seek the elimination of the week?

THE OUTSTANDING MYTHS

Over the years there have been some rather strange and fanciful notions expressed with regard both to the resolution and the captive nations. For example, we'll never forget the grandiose interpretation given by one columnist: "When I was in Moscow during the October Party Congress, Khrushchev once again vehemently denounced the innocuous Captive Nations Week resolution which Congress passes every year to attract minority

votes."¹⁴ In one sentence the ingredients of truth, illogic, and fiction are intermixed. True, the past Russian dictator did vehemently denounce it again; illogical, to have earned such repeated denunciations the resolution could scarcely be innocuous; fictional, the self-renewing resolution doesn't have to be passed each year, and it never had anything to do with minority votes.

Do you think this is bad? Just consider the new crop of myths that has recently sprung up—this by writers who are supposed to enlighten the American public.

In a critical article on the views of the Republican presidential nominee in 1964, a well-known columnist wrote: "The Senator is historically wrong to imply (April 25, 1963) that Soviet arms seized Azerbaijan, Byelorussia, Turkestan, Georgia, the Ukraine, and North Caucasus."¹⁵ For the purpose of disinforming the American public, Soviet Russian propagandists couldn't have done better. There is no intelligent controversy about the Soviet Russian conquest of these countries. The historical record is clear and substantial. Aside from a vast bibliography of scholarly works on the subject, if the columnist had even bothered to scan the official reports of Congress Select Committee To Investigate Communist Aggression, he would realize that his statement makes as much sense as saying Nazi arms did not seize Austria, Czechoslovakia and so on. One's patent ignorance is no test of historical validity.

Another choice example of mythmaking is furnished by two editorials of a Washington newspaper, written probably by a person who until 1963 never knew a Taras Shevchenko, the Ukrainian national hero, ever existed. In an intellectually irresponsible attack against the resolution, the first editorial stated, "it also includes 'Cossackia' and 'Idel-Ural' which never have existed as nations except for intervals of German invasion. They are about as much 'captive' of the Soviet Union as Anacostia and Cleveland Park are 'captive' of the District of Columbia. As far as that goes, 'White Ruthenia' and 'Ukraine' are political concoctions that describe aspirations more than a national entity."¹⁶ How erratic and even immature some writers can be is easily gaged by reading, for example, this paper's editorial on Shevchenko on September 23, 1963. It speaks of "Ukraine's national poet" and states, "We yield to no one in our esteem for the Ukraine and that country's poet and hero."¹⁷

Here, too, a knowledge gap prevails. Cossackia and Idel-Ural have traditions in name and reality long preceding any German invasion, and this history of White Ruthenia or Byelorussia is known by many a college undergraduate today.

The paper's subsequent editorial commenting sarcastically on these three countries in the U.S.S.R. is evidence enough of the emotional instability of the writer.¹⁸ The positive aspect of all this is the solid evidence we now have justifying the urgent, educational need for a Special Committee on the Captive Nations in the U.S. Congress.

For a salmagundi of confused thoughts the next example is exemplary. The article states the following: "A nation needs an

¹⁴ Alsop, Stewart: "The Berlin Crisis: Khrushchev's Weakness," Saturday Evening Post, Dec. 16, 1961.

¹⁵ Sulzberger, C. L.: "Barry's Brinkmanship," San Francisco Sunday Chronicle, July 19, 1964.

¹⁶ "Captive Nations," the Washington Post, July 11, 1964.

¹⁷ "Shevchenko: A Monument to the Liberation, Freedom, and Independence of All Captive Nations," U.S. Government Printing Office, 1964, p. 11.

¹⁸ "Betrayal," the Washington Post, Aug. 17, 1964.

¹⁰ Address on Vietnam, Johns Hopkins University, the Evening Star, Washington, D.C., Apr. 8, 1965.

¹¹ Castro Ruz, Juana: "I Accuse My Brother Fidel," Free Front, Manila Philippines, October-November 1964, p. 17.

¹² Fulbright, J. W.: "The Basic Issue in Foreign Affairs," CONGRESSIONAL RECORD, vol. 110, pt. 16, p. 21675.

¹³ Pope Paul VI: "Ecclesiam Suam," First Encyclical Letter, the New York Times, Aug. 11, 1964.

ideology—a common enthusiasm that gives it cohesiveness and unity of purpose. Strangely enough, the ideology that holds the Soviet Union together is not communism, but the 'Mother Russia' concept. For 'Mother Russia' is the common pride of White Russians, Ukrainians, and Georgians, all of whom have ample historical reason for mutual hate. The Soviet leaders have been tireless in identifying communism as the agency which has glorified Russia.¹⁹ Whether this was written in a state of inebriation or not, it demonstrates a typical looseness of thought regarding the Soviet Union. Suffice it to say that the Soviet Union is not Russia or a nation, nor have the White Ruthenians, Ukrainians, and Georgians any "historical reason for mutual hate," and that the empire significance of the "Mother Russia" concept is anathema to them. The only force that holds the Soviet Union together is the military occupation of these non-Russian nations by the expediently mixed U.S.S.R. armed forces and the KGB.

These few examples are sufficient to indicate the necessity for observing Captive Nations Week. What within a short time books cannot accomplish, popular observance and discussion can. Actually, we don't have much time. The myths conveyed by these examples will rapidly disappear. So will those in these further examples of our cultural lag.

One writer, whose position changes in cycles and whose record is a succession of errors in judgment and prediction as, for instance, close Soviet-American friendship in the postwar era and the permanent captivity of the enslaved nations expressed on the very eve of the 1956 Hungarian revolution, provides us with additional fables on the captive nations. A recent work shows him to be as irritated by the resolution as Moscow has been. "Certain of the national groups," he writes, "whose names appear in the captive nations resolution as those nations thirsting for a lost independence never existed at all in this quality. * * * The Ukraine never was really independent."²⁰ According to this fable, the Russian Empire has been eternally in existence and the periods of Ukrainian independence in the form of Kievan Rus, the Kozak Republic, and the National Republic never existed. Under pressure from within the U.S.S.R., even Moscow continually refers to "independent" Ukraine today. This kind of blind thinking would have precluded even the new independence of any Afro-Asian people.

Here are more fables made to order for Soviet Russian propagandists: "I can think of nothing more catastrophic than that the policy of our Government should be committed to the breakup of the traditional Russian state. Remember that nothing of this sort could be carried forward except at the cost of the violent and total estrangement of the Russian people."²¹ He goes on to say that this would mean the "dis-memberment of Russia."²² This fable ignores the fact that Russia is only one part of the U.S.S.R., which no one seeks to dismember. To identify Russia with the U.S.S.R. is patent nonsense; to invoke the Russian people, most of whom have no vested interest in the Soviet Russian Empire, borders on the ridiculous. It is like saying that we should never have helped the different peoples of the Austro-Hungarian or the Ottoman Empires, "traditional states" as they were, because the Austrians or Turks would not like it. The muddy character of the writer's concepts and thoughts is further

illustrated by his conception of Yugoslavia as a "nation," with a "desire for national independence."²³ Apparently his stay in Belgrade profited him little.

Before leaving this case for the remaining examples of U.S. myths on the captive nations, we might take note of the shallowness of thought exhibited by this Russian expert. He asserts, "The captive nations resolution has freed no captive nations, nor is it likely to do so. * * * My charge is that, uncorrected, unchallenged, and permitted to have the currency it has in this country today, it cripples the hopefulness of any other approach."²⁴ Now, just a modicum of commonsense is needed to perceive the fact that, like proclamations, no resolution will free anyone anywhere.

As I've pointed out often, by its very nature a resolution is an "ideational" commitment that necessitates action and implementation; and things of this kind—"Needless irritations, such as the captive nations resolution and various antiquated trade restrictions, are still permitted to impede the development of Soviet-American relations"—the faculty of commonsense demands priority.²⁵

Examples of this type, short in knowledge and lacking in commonsense, can be multiplied. In a recent work on "Propaganda," Arthur Larson, a former Eisenhower official, views the resolution as "bad" subversive propaganda, inciting the peoples of Eastern Europe to overthrow their present governments. A columnist, who uncritically inserted into his article a fantasy that was fed him, sees Ukraine as having "been a part of Russia longer than Arizona has been in the Union."²⁶ An expensive study prepared for the U.S. Arms Control and Disarmament Agency makes this profound observation: "Whether we admit it to ourselves or not, we benefit enormously from the capability of the Soviet police system to keep law and order over 200 million-odd Russians and many additional millions in the satellite states. The breakup of the Russian Communist empire today would doubtless be conducive to freedom, but would be a good deal more catastrophic for the world order than was the breakup of the Austro-Hungarian Empire in 1918."²⁷ Observing all this, one wonders if these writers and many like them have ever bothered to scan the resolution, which reads as follows:

"[Public Law 86-90, 86th Cong.]

"S.J. Res. 111

"Joint resolution on Captive Nations Week

"Whereas the greatness of the United States is in large part attributable to its having been able, through the democratic process, to achieve a harmonious national unity of its people, even though they stem from the most diverse of racial, religious, and ethnic backgrounds; and

"Whereas this harmonious unification of the diverse elements of our free society has led the people of the United States to possess a warm understanding and sympathy for the aspirations of peoples everywhere and to recognize the natural interdependency of the peoples and nations of the world; and

"Whereas the enslavement of a substantial part of the world's population by Communist imperialism makes a mockery of the idea of peaceful coexistence between nations and constitutes a detriment to the natural bonds

¹⁹ Ibid. p. 50.

²⁰ Ibid. p. 19.

²¹ Kennan, George F.: "A Case for Sparring the Spurs," the Washington Post, Mar. 7, 1965.

²² Drummond, Roscoe: "Captive Nations Cause," New York Herald Tribune, Aug. 19, 1964.

²³ "Special Committee on the Captive Nations," CONGRESSIONAL RECORD, vol. 110, pt. 17, p. 22666.

of understanding between the people of the United States and other peoples; and

"Whereas since 1918 the imperialistic and aggressive policies of Russian communism have resulted in the creation of a vast empire which poses a dire threat to the security of the United States and of all the free peoples of the world; and

"Whereas the imperialistic policies of Communist Russia have led, through direct and indirect aggression, to the subjugation of the national independence of Poland, Hungary, Lithuania, Ukraine, Czechoslovakia, Latvia, Estonia, White Ruthenia, East Germany, Bulgaria, mainland China, Armenia, Azerbaijan, Georgia, North Korea, Albania, Idel-Ural, Tibet, Cossackia, Turkestan, North Vietnam, and others; and

"Whereas these submerged nations look to the United States, as the citadel of human freedom, for leadership in bring about their liberation and independence and in restoring to them the enjoyment of their Christian, Jewish, Moslem, Buddhist, or other religious freedoms, and of their individual liberties; and

"Whereas it is vital to the national security of the United States that the desire for liberty and independence on the part of the peoples of these conquered nations should be steadfastly kept alive; and

"Whereas the desire for liberty and independence by the overwhelming majority of the people of these submerged nations constitutes a powerful deterrent to war and one of the best hopes for a just and lasting peace; and

"Whereas it is fitting that we clearly manifest to such peoples through an appropriate and official means the historic fact that the people of the United States share with them their aspirations for the recovery of their freedom and independence: Now, therefore, be it

"Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President of the United States is authorized and requested to issue a proclamation designating the third week in July 1965 as 'Captive Nations Week' and inviting the people of the United States to observe such week with appropriate ceremonies and activities. The President is further authorized and requested to issue a similar proclamation each year until such time as freedom and independence shall have been achieved for all the captive nations of the world."

THE 1965 CAPTIVE NATIONS WEEK

In the period of July 18-24, the seventh Captive Nations Week observance will be conducted throughout the Nation. Its major themes will be (1) full support for the President's action in Vietnam; (2) a "pol-trade" policy, no shipstop trade liberalization, toward the Red empire; (3) the complete exposure of Sino-Russian imperio-colonialism in the United Nations and throughout the free world; (4) the creation of a Special Committee on the Captive Nations in the U.S. House of Representatives; (5) the establishment of a Freedom Commission and Academy; and (6) the issuance of a captive nations freedom stamp series.

Captive Nations Week is the citizen's way of letting the captive nations—the peoples themselves as against their oppressive totalitarian states and governments—know that we will "never recognize the situation behind the Iron Curtain (and the Bamboo and Sugar Curtains) as a permanent one." The realization of the above themes would give further concrete expression to this.

Mr. Speaker, I urge the Members to ponder the forthright, scholarly, timely analysis by the national chairman of the Captive Nations Committee, Dr. Lev E. Dobriensky, and I hope an overwhelming number of the Members will join the

¹⁹ Jones, Jenkin Lloyd, the Evening Star, July 23, 1964.

²⁰ Kennan, George F. "On Dealing With the Communist World," New York, 1964, p. 13.

²¹ Ibid. p. 13.

²² Ibid. p. 14.

gentleman from Pennsylvania [Mr. FLOOD], in implementing House creation of a Special House Committee on Captive Nations.

COAST GUARD RESERVE

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

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

There was no objection.

Mr. CHAMBERLAIN. Mr. Speaker, included in the current issue of the U.S. Coast Guard Academy Alumni Association Bulletin, June 1965, is an article written by Rear Adm. Louis M. Thayer, who served as Chief, Office of Coast Guard Reserve, until his reassignment last January. Because of the important contribution of the Coast Guard Reserve to our national security, I wish to insert this current report on the status of the Coast Guard Reserve in the RECORD and commend its reading to my colleagues in the Congress:

OUR COAST GUARD RESERVE (By Rear Adm. Louis M. Thayer)

I have just completed 21 months in Coast Guard Headquarters as Chief, Office of Reserve, and I want to tell my fellow members of the Coast Guard Alumni Association about our Reserve.

This organization is the youngest of the military reserves, now in its 24th year of existence. By an act of Congress in January 1915, the Coast Guard was established as a military service and a branch of the Armed Forces of the United States. In July 1941, the Congress declared the Coast Guard a constituted branch of the land and naval forces of the United States at all times. The Coast Guard is designated a service in the Treasury Department, except when operating as a service in the Navy. The President is authorized to place the Coast Guard under the Navy in time of emergency, which could be in time of peace.

The mission in the Coast Guard Reserve is exactly the same as that of the Reserves of the other armed services, "to provide trained units and qualified persons available for active duty in the Armed Forces in time of war or national emergency and at such other times as the national security requires" (10 U.S.C. 262). We treat this as our mandate for performance. How well we can achieve this objective is the essence of my article.

Our mission requires mobilization support of the Regular Coast Guard, in its nine basic peacetime missions—not the least of which, as you know, is the maintenance of a high state of military readiness for support of the Navy in a national emergency. The support of peacetime missions was perhaps the most valid reason for the establishment of a distinctive Coast Guard Reserve just prior to World War II. Because of major technological advances, what was true then, is even more true today.

In addition to search and rescue, aids to navigation, merchant marine safety, law enforcement, ice breaking, oceanography, ocean station vessels, port security, there is the separate Reserve training mission. This, of course, overlaps all of the others; but, in so doing, the Reserve must accept near total manning and training responsibility for our major wartime tasks.

The Coast Guard has had two distinct Reserves in its recent history.

The first of these was established in 1939, during the buildup period just prior to World War II, as a nonmilitary organization of boatmen. By 1941, this activity was determined to be inadequate for the wartime job ahead, and a Military Reserve established in the image of the Naval Reserve was formed. The original Reserve organization was renamed the Coast Guard Auxiliary, which then continued to serve throughout World War II, and up to the present, performing essential nonmilitary tasks in the boating field.

During World War II, the new Coast Guard Reserve built up to a peak membership of 150,000 men and women, who were 6 out of every 7 active duty Coast Guardsmen at the time. They served within the overall Navy organization, either intermingled as individuals or as complete crews under Coast Guard commands, wherever the Navy went. After the war, however, all reservists were released; so that by 1949, with no permanent Inactive Reserve organization in being, their listed numbers fell off to 5,000 personnel, mostly officers. No training was being accomplished, except by a few "Gung-Ho" Reserve officers who were voluntarily associating with Navy units in a nonpay status. No funding was available to keep current the administration of records. When a promotion board was assembled 5 years after World War II, belated promotions were tendered, but two could not accept because they were dead. I cite this only to show the nearly complete deterioration of the Reserve Corps by that time.

Korea proved the fallacy of our post World War II action, and an Active Reserve Force was again authorized and rebuilt. In accordance with Navy requirements, a military readiness program was carried out, under which the Coast Guard expanded its land, sea, and air arms throughout the Pacific once more. The rebuilding was painful and expensive, and above all, time consuming. A total of about 16,000 reservists was enlisted under the Armed Forces Reserve Act of 1952 as a result of the police action buildup through 1955.

When the Reserve Forces Act of 1955 came into being, it assured the permanence of a peacetime Coast Guard Reserve Force, and it seemed that the Coast Guard Reserve could move ahead without further problems to achieve the then authorized goal of 39,600 ready reservists, and by 1959 this was nearly so. We had peaked out at more than 36,000 officers and men in March of that year, but there were problems: first the 2-year enlistment program, as constituted at that time, was making a shambles of the morale of the Regular service shipboard enlisted personnel and was, therefore, discontinued. Simultaneously, the input level of the Reserve 6-month program was reduced from 4,000 per year to 2,000.

These actions combined to reduce our total Ready Reserve strength by the end of fiscal year 1963 to 27,200, a loss of 25 percent. Because of a slight increase in input and the rise in retention rate in the Ready Reserve, a corresponding increase was made last year, and we ended up with about 28,000. This year, we will have another small increase because of the release of first enlistment Regulars from a high input year in 1961, but this will be offset next year by the lean Regular input of 1962. (Regulars who serve only 4 years on active duty are then required to transfer to the Reserve to complete their military obligations.) In essence, we have leveled at about 57 percent of our early response requirements and 62 percent of our total Ready Reserve requirements. I will come back to this subject again, as it is considered the major deficiency in our program, now.

From 1951 to 1955, Reserve requirements were met after the manning requirement was in hand. When someone was needed,

we just took the time to recruit and train him. By contrast, since 1955, we have been operating under very precise requirements for mobilization, with manning levels predetermined within any given time frame.

Periodic reviews of the Reserve Forces Act of 1955 were required by the Senate Armed Services Committee. At the first review hearing, it was determined from facts presented, that a 39,600 apportionment of the national reserve manpower pool would be made to the Coast Guard Reserve. This was based on mission requirements of that time, and thereafter became subject to any necessary revision by the Secretary of Defense from within the 400,000 unallocated portion of the 2.9 million total reserve pool.

Within this 39,600 Coast Guard Reserve allocation, the immediate manning requirement for personnel undergoing training was stated during the 1955 and 1956 congressional hearings, as "about 25,000 men." The Coast Guard reached about 10,000 men in drill pay status by 1958. A Department of Defense review, about that time, shortened overall Reserve reaction time in view of an escalating response requirement, and stipulated unit-type reaction as a major Reserve training objective. This actually served to raise our total immediate response requirements; but, in view of the wholly inadequate drilling numbers at the time, this point was considered moot, and all efforts were concentrated on achieving the then authorized drill pay level of 15,000 men, together with the required training equipment and facilities. Both of these objectives were finally realized by 1962, and efforts were then renewed to reach the original 1955 training objective, which by then was further defined to be 3,000 officers and 23,000 enlisted men, or a total of 26,000 reservists in a drilling status. A qualified approval of the overall requirement, with funding for nearly 17,000 drilling personnel, was the outcome. Our drilling strength authorization remains the same today. (The authorized strength is that which can be maintained within the funds appropriated by Congress.)

The next major occurrence was congressional action to reduce the Reserve obligation of all military trainees from 8 to 6 years. Because the Coast Guard Reserve was built on the old 8-year obligation program, this was the straw that broke the back of the 1955 Coast Guard criteria and resulted in a full-scale, detailed study of how to meet our Reserve manpower requirements.

Several recent separate actions also became involved, some only coincidental to the Reserve problem, but all tending to clarify the matter. These were:

1. A comprehensive study of all Coast Guard roles and missions by a joint Treasury, Department of Defense, Navy, Coast Guard Board;
2. A series of mobilization planning reviews within the Coast Guard in each and every district office;
3. A statistical study of Reserve long-range strength requirements, necessary to meet all objectives;
4. Development of an annual computerized billet runoff, for detailed program analysis and adjustment to maximize our training capability;
5. Development of a 5-year midrange planning document to achieve a capability to fully meet our assigned tasks within the specified time limits, and
6. A very recently approved Navy-Coast Guard ad hoc board finding as to the up-to-the-minute validity of overall Navy tasks assigned to the Coast Guard for accomplishment during mobilization.

In the early phases of these recent actions, particularly after completion of items 1, 2, and 3 above, which called for a detailed local review of the manpower required to do our assigned tasks, it was determined that the specific drilling strength essential to

meet early mobilization commitments required a further increase from 26,000 to 29,500 reservists. Also, by that time, it became obvious that the overall Coast Guard Ready Reserve ceiling of 39,600 officers and men was inadequate for long-term task performance.

The Coast Guard proposed and the Treasury Department accepted the new 29,500-man drilling figure as an objective. The Secretary of Treasury and Secretary of Defense further agreed to raise the Ready Reserve ceiling of the Coast Guard, from within the armed services 400,000 "unallocated" reserve pool to 45,200. These are the finite goals, achievement of which will make it possible to complete our present task assignment objectives if we follow the current Reserve midrange plan.

So much for history. I will now describe our current situation by the phase involved, and covering the areas of personnel, facilities, and equipment.

The ship augmentation of our 67-percent manned Coast Guard vessels and the ship activation of the vessels of Naval Reserve Fleet—earmarked for Coast Guard use in wartime—are both important phases of mobilization.

Reserve situation: We have organized Reserve training units, vessel augmentation (ORTUAG) whose personnel are in drill pay status (48 drills) in Naval and Marine Corps Reserve training centers and Coast Guard facilities. These reservists perform active duty training on a 2-year rotational cycle—the first year in a specialty training school and the second year onboard ship. Personnel now in training units meet 45 percent of vessel requirements and are taxing the limit of existing facilities and operating vessels for active duty training. Reserve is heavily dependent upon the availability of the ships of the Regular service for summer training, but increasing operational assignments have reduced this availability for Reserve cruises by over 40 percent in the past 2 years, with further reductions probable. Of the total of 10 Reserve training ships needed, to date we have acquired 3. All training vessels are usable upon mobilization.

The port security Reserve situation: Training for wartime tasks are the organized Reserve training units, port security (ORTUPS). Port security training units are divided into two types; operational and rate training. Both are in drill pay status (48 drills) and conduct annual active duty training on a rotational basis. The operational units are designed to move as a unit on M-day into the port area, and they conduct annual exercises in their port area during active duty training every third year, with the other 2 years of the cycle being spent in specialty school and in on-the-job training. The port security rate training units will be split up to fill operational unit deficiencies, and they conduct their annual training in specialty schools and in on-the-job training.

Minor drilling unit training equipment is complete, but major equipment is sorely deficient and does not exceed 10 percent of that required. Major active duty training equipment for individual rate training at formal schools is adequate to excellent, except for practical merchant vessel training. Two small transport ships are needed. The *Courier* has been obtained at no cost this year since it was no longer needed by the Voice of America.

It is in an operable condition at the Reserve Training Center, Yorktown, and funds for its operation are in the appropriation for fiscal year 1966. On-site active-duty training requires the borrowing of equipment from the Regular service, the Navy, local private industry, municipalities, or renting from GSA.

If funds become available to implement the 5-year midrange plan, then personnel requirements can be fully met for mobiliza-

tion and training equipment can be purchased which would be usable upon mobilization. However, other operational equipment would have to be commandeered locally for the most part. This involves radio-equipped passenger vehicles, small boats, communications equipment, and firefighting equipment, and is considered to be generally available.

Coastal force: For years there has been a requirement by Department of Defense for the Coast Guard to carry out coastal force activities on mobilization. However, no emphasis has been placed on this duty until recently. The Coast Guard is detailed to conduct patrols along the seacoasts of the United States, providing visual and electronic coastal surveillance in support of continental defense. Specific duties within this activity are:

1. Prevent clandestine entry of subversive persons or inimical things over the ocean beaches or through isolated inlets or small harbors.
2. Prevent subversive persons in the United States from contacting or assisting enemy forces along the coasts.
3. Detect and report information on enemy forces along the coasts.
4. Prevent damage to essential coastal underwater communications cables.

In addition to the specific duties mentioned above, coastal forces will continue to perform the presently assigned peacetime functions of search and rescue, aids to navigation, Federal law enforcement, and port security in small ports within the areas of their current responsibility.

The Reserve coastal forces will augment existing force already on the coasts at lifeboat stations, lighthouses, and various other units; and will establish new units as required for task performance. The coastal force will use these units, plus patrol boats and aircraft in carrying out their duties. Certain aspects of surveillance require highly specialized training, and a high degree of individual combat capability. As in the port security field, coastal forces are needed immediately upon, if not prior to, general mobilization (or D-day).

Reserve situation: Organized Reserve training units, coastal force (ORTUF) are operational training units, in that they train for specific jobs and mobilize as a unit. Included in the basic training of coastal force personnel is the individual combat training course provided by the U.S. Marine Corps at Camp Lejeune and Camp Pendleton. This training is provided only for personnel who are earmarked for surveillance and patrol duties, and does not include all personnel who are training in the coastal force units.

As I said, the coastal force training program is new, and is presently capable of meeting only 2 percent of the immediate M-day Reserve requirements. It is expected that this situation will be improved soon. In the interim, some reassignment from other units, thereby shortening their capability, would be needed. A study is underway to determine what types of modern electronic and specialized surveillance gear will be most effective. Any equipment which will be usable for training, such as communications gear, surveillance aircraft, rifles, etc., will be fully usable upon mobilization.

Aviation responsibilities of the Coast Guard are split into two areas. First, an extension of the peacetime duties, consisting primarily of SAR, with an antisubmarine backup; and second, in conjunction with the coastal force, to provide airborne surveillance of the coastal areas. Specialized air logistic support of some Coast Guard operations is required.

These responsibilities are not fully compatible, and require a different emphasis in training. SAR and ASW require training in long-range and sophisticated, patrol type military aircraft. Coastal force surveillance

can be met by utilizing relatively unsophisticated, nonmilitary, light aircraft.

Reserve situation—organized Reserve training units, aviation (ORTUAV): Reserve aviation units are in the process of being divided into two types. The first is a rate training unit, and is used for training personnel who will augment and expand the existing Coast Guard aviation program in the large aircraft field. A few surplus naval aircraft have been obtained and are used as static training aids. It is expected that more will be acquired. Flight training is conducted in regular service aircraft. This type of unit is limited to locations where there is an existing Coast Guard air station. This aspect of Reserve training currently meets only about 10 percent of the immediate mobilization requirements, but this training has been recently given considerable emphasis, so that improvement is underway.

The coastal force aspect of aviation training is just beginning, and is being conducted through an operational-type unit. These units are considered as sections of the basic coastal force units mentioned above and, upon mobilization, will be organizationally tied to them. Training equipment in this area is virtually nonexistent, but current plans call for a modest procurement of light aircraft and related equipment during fiscal year 1966, and continuing through fiscal year 1969.

The merchant marine safety commitments of the Coast Guard are also known and will greatly expand upon mobilization. At the present time, most merchant marine safety is carried out in volunteer training units. Personnel in such training are generally senior officers who have had merchant marine safety or shipboard experience. Personnel now attached to these units equal approximately 100 percent of immediate officer personnel requirements in this field, but additional requirements for later months are deficient and would represent key shortages because of the long, complex training period involved.

A program of organized Reserve training units (48 drills) has been initiated. This program will take advantage of the junior officers who are presently being released from their 3 years of active duty in the merchant marine safety field.

In order to support our global loran network, we must have well-trained personnel in the electronics field. Besides loran, these personnel are utilized aboard vessels and at other units which are continually expanding their use of electronic equipment.

The personnel of organized Reserve training units, electronics (ORTUEL) are adequate to meet early mobilization requirements, but turnover is heavy.

At present these reservists are receiving rate training only, but in response to a recently received requirement, a study to determine the feasibility of establishing operational loran units upon mobilization is underway. Training equipment in this activity is adequate for basic training at the unit level.

Where do they all train? The Reserve leans heavily for support for drilling and initial active duty for training sites from three principal sources:

1. The Regular Coast Guard's operating facilities.
2. Naval and Marine Corps Reserve training centers, Naval Air Reserve squadrons, Navy class A schools, Marine Corps combat training facilities.
3. A few training centers of the other armed services.

Without the fine cooperation and active assistance of our Naval and Marine Corps Reserve counterparts, we would be hard pressed to do an acceptable job, and it would be impossible without a prohibitive amount of additional funding.

Statistically, of the 269 Coast Guard organized Reserve training units, 146 train at Navy installations, while 100 train at Coast Guard facilities, and the remainder at Army and Air Force bases.

We lack personnel in most areas. This is our most critical shortage. To enlist new recruits and make leaders and technicians out of them is time consuming. Another shortage is in training equipment. Adequate training aids are required to do any training job, whether this be a pencil, a bullet, or a ship; but, without them, training suffers. The program needs additional training ships, light aircraft, and port security "packages." This latter item is a combination of training aids which includes vehicles, boats, communications gear, radiac, and other small specialized port security equipment.

Our 5-year midrange Reserve plan previously mentioned outlines all needs for personnel, training equipment, and training and drilling facilities, and proposes an orderly buildup to meet these objectives. Department of Defense approval of this document's manpower objectives has been obtained. The current congressional stage of the fiscal year 1966 budget, if approved, contains sufficient funds for a basic increase in equipment, but the personnel buildup requirement for the 5-year plan must be delayed another year.

To summarize our Reserve: From my experiences, I have found that they are a highly skilled, well-educated group of officers and men. There are almost as many academic degrees among them as there are reservists. They are conscientious, patriotic, devoted, and proud.

I urge all operating units of the Regular Coast Guard which provide active duty for training for members of the Reserve to give them the best possible, because the man you train today may be on your staff or may be your shipmate come M-day. I urge every member of the Regular service to understand that the Reserve program begins with the Chief of Naval Operations: he assigns the tasks; the Commandant asks the district commanders how many personnel and how much hardware are needed; the mobilization plans are written and requirements calculated; and, finally, Reserve units are organized and trained to meet these requirements. If the Coast Guard is to carry out its mobilization assignments, sufficient men and material must be on board—in either the Regular service or in the Reserve.

THE DEMOCRATIC REPUBLIC OF THE CONGO MARKS 5 YEARS OF INDEPENDENCE

Mr. TALCOTT. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. CEDERBERG] 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 California?

There was no objection.

Mr. CEDERBERG. Mr. Speaker, today, the democratic Republic of the Congo celebrates 5 years of independence. While these years have not been entirely peaceful, I congratulate the people of the Congo and their leaders for the progress they have made.

The Congo is potentially one of the most prosperous countries in Africa. She is fortunate to have great mineral wealth. And, in spite of the difficulties created by a population with diverse backgrounds and languages, she has made admirable progress in increasing her literacy rate, improving her agricul-

tural efficiency, and developing a more diverse economy.

I join my colleagues in expressing the good wishes of the American people for the people of the Congo in their continuing efforts to achieve political stability and to establish a free, democratic government.

THE PROPOSED CONSTITUTIONAL AMENDMENT ON REAPPORTION- MENT

Mr. TALCOTT. Mr. Speaker, I ask unanimous consent that the gentleman from Alabama [Mr. EDWARDS] 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 California?

There was no objection.

Mr. EDWARDS of Alabama. Mr. Speaker, I am today presenting a statement to the Committee on the Judiciary in support of an amendment to the Constitution which would provide that any State which has a bicameral legislature may utilize factors other than population in apportioning one house of its legislature if the plan of apportionment is specifically approved by vote of the electorate of the State.

The issue is of genuine and legitimate concern to our country, and for this reason, my statement follows:

STATEMENT OF CONGRESSMAN JACK EDWARDS, OF ALABAMA, TO THE COMMITTEE ON THE JUDICIARY, HOUSE OF REPRESENTATIVES

Our U.S. Government is based most fundamentally on the concept that the people not only have a right to govern themselves but also are able to do so.

The Constitution is a device whereby a group of sovereign States granted certain authority to a Central Government in order that their Union might be strengthened, not in order that the seat of power be transferred to that Central Government from each State. The State was to remain as the basic unit of representative government. The Central Government was a creature of the States, not the master.

Today we see attacks on this concept of a people's government from many directions. But perhaps no issue reflects these assaults on the people's rightful claim to govern themselves as does the issue of legislative reapportionment as it relates to the Supreme Court's reapportionment decision of June 15, 1964.

In that decision, the Supreme Court interpreted the 14th amendment as requiring that both houses of a bicameral State legislature must be apportioned on a population basis.

In effect, the majority of the Court said that an individual's right to vote for State legislators is unconstitutionally impaired when its weight is in a substantial fashion diluted when compared with votes of citizens living in other parts of the State.

In my opinion, this action of the Court represents judicial lawmaking in the clearest sense. It tramples on the people's right to govern themselves and scorns their ability to do so.

Proposals have been advanced to amend the Constitution to provide that any State which has a bicameral legislature may utilize factors other than population in apportioning one house of its legislature if the plan of apportionment is specifically approved by vote of the electorate of the State.

The proposed amendment would also provide that in a State with a unicameral legis-

lature, apportionment might provide reasonable weight to factors other than population subject to the same approval of the electorate of the State.

I vigorously support this kind of constitutional amendment, and I urge action by this committee in reporting a proposal of this kind to the House of Representatives so that the House may work its will on the issue.

The question of the people's right to govern themselves is at the heart of this issue. On one side we have persons who believe that American citizens today are incapable of determining how their own State legislature is to be organized and, therefore, that Washington must step in with a set of rules. On the other hand are persons who still hold with the framers of our Constitution that people not only have a right to govern themselves but that they are capable of doing so, and that States still represent the basic unit in our system of government.

It is worthwhile that we consider here, in order that we do not become confused, just exactly what the proposed amendment would not do.

It would not, for example, provide that an existing State legislature could perpetuate any apportionment system against the wishes of the people of the State.

It would not eliminate jurisdiction of the Supreme Court in matters affecting State legislative apportionment. It would not deny the general recognition that any one person's vote in any State should carry weight equivalent to any other person's vote in one house of a bicameral legislature.

The proposal would, on the other hand, assure to the electorate of each State its rightful claim to make a judgment regarding a specific apportionment plan.

It recognizes that conceivably in some States there may be valid reasons why the electorate would determine that geographical conditions or other special and unique characteristics would warrant apportionment of one house in a bicameral legislature to be based on factors other than population.

If the country is to accept this Supreme Court action as final and legitimate, then I wish to suggest that the Court may choose also to rule that all State legislators must be elected in statewide elections, using no legislative districts at all.

Indeed, this possibility was raised as a serious question in the dissenting opinion of Justice John M. Harlan relating to the June 15, 1964, decision.

Justice Harlan also wrote: "No set of standards can guide a court which has to decide how many legislative districts a State shall have, or what the shape of these districts shall be, or where to draw a particular district line. No judicially manageable standard can determine whether a State should have single-member districts or multi-member districts, or some combination of both. No such standard can control the balance between keeping up with population shifts and having stable districts."

Justice Harlan also wrote: "State legislative apportionments are wholly free of constitutional limitations save such as may be imposed by the republican form of government clause (art. IV, sec. 4 of the Constitution). The Court's action in bringing them within the purview of the 14th amendment amounts to nothing less than exercise of the amending power of this Court."

Justice Potter Stewart, in his dissent, wrote: "I am convinced these decisions mark a long step backward into that unhappy era when a majority of the members of this Court were thought by many to have convinced themselves and each other that the demands of the Constitution were to be measured not by what it says, but by their own notions of wise political theory."

Senator WALLACE F. BENNETT, of Utah, has pointed out how in his State much of the growth potential lies in counties which are

now only sparsely populated. "If these counties," he says, "are to be totally dominated by the two or three heavily populated counties in the State which contain a majority of the population, the economic growth of these outlying and sometimes isolated areas may well be stunted."

These are two aspects to this issue which bear study. The first is the issue of State rights and State responsibility versus the activism of the Supreme Court.

This aspect was well brought out by Congressman Robert T. McLoskey, of Illinois, in the House on August 5, 1964, in support of this kind of constitutional amendment. He said: "The Court has done immediate wrong to the States affected by their decision. By robbing the States of their sovereign power to apportion their own legislatures by political process, the Supreme Court has taken one of the most fundamental of legislative prerogatives; and by so doing, has effectively reduced State government to a hollow facade. The Federal judiciary has taken to itself the power to pass on the acceptability of State apportionment, and could presumably dictate the political climate of a State by gerrymandering from the Bench."

But the other aspect is equally as vital to our concept of government. This is the aspect of minority rights. In refusing to recognize that factors other than population may have legitimate reason for being considered in apportionment decisions affecting one house of a State legislature, the Supreme Court is actually turning its back on minorities which are realities of American political life today.

The men and women residing in rural areas and the smaller communities of this country have traditionally proven themselves to be self-reliant, independently minded, and having a strength of character and resolution of the kind which has made major contributions to the growth of the Nation.

With the shifting of great population centers to the cities, these people who remain in rural areas and small cities find themselves in a real minority. But the land they inhabit still plays a big part in the economies of many States.

It does not seem illogical or unjust that they represent interests which the people as a whole in any State may determine should be recognized in the apportionment of one of two houses in a State legislature.

Nor does it seem incomprehensible that a State legislature in which one house is apportioned according to factors other than population may serve the true interests of the State and protect the rights of all citizens more effectively than a State legislature in which big city political bosses wield the kind of total influence already evident in some of our large cities today.

It is a dangerous precedent, indeed, that allows any judicial body, unresponsive to the election process, to take prejudicial action against a minority group without regard for a State's electorate. The kind of judicial "activism" casts a pall of gnawing fear over the bright ideal of representative government which as Americans we have considered to be the guardian of man's liberty.

I want to make clear my recognition that some States have failed to meet their responsibilities to reapportion their legislatures in pace with shifting populations. The appropriate solution, however, is not through a blanket edict casting aside a State's legitimate claim to rely on judgments of its own citizens. Let us encourage the States to keep pace with current conditions, but let us at the same time retain faith in a State's electorate, and in our proven system of checks and balances based on three coequal branches of Government.

Looking back for a moment to the beginnings of our Government, it is clear that the very theory of bicameralism is based on

the idea that one house of a legislature reflects the popular will at any time while the other house may be apportioned on some factors other than mere numbers of people and so provide a just consideration of minority rights.

If this theory is useful with regard to the National Legislature, then it is useful also in the several States. If it is ruled invalid by the Supreme Court in the States, then surely we must ask if it is also invalid with regard to Congress.

I suggest that factors other than population may be valid considerations in some States just as they are in our National Legislature. For example, in California, Chief Justice Earl Warren, as Governor of the State in 1948, said: "Many California counties are far more important in the life of the State than their population bears to the entire population of the State. It is for this reason that I have never been in favor of restricting their representation to the State senate to a strictly population basis."

The phrase "one man, one vote" is rich with the sound of justice and fair representation. Its appeal to decent Americans everywhere is undeniable. However, the vision it brings to our minds bears examination.

Translating the slogan into law it is very possible, even probable, that a bare political majority in a metropolitan area can win control of a legislature though it does not represent a majority throughout the State. Such a State falls into the hands of big city bossism. Then we see in operation the tyranny of a minority over the majority, or the dominance of a ruthless minority over other minorities.

Such might be the case even in States which we don't associate with big metropolitan centers. An example is South Dakota where now the State's 30,000 Indians are represented by 2 State senators but where this minority would be denied effective representation if population were to be the only factor in apportionment in both houses of the State's legislature.

Perhaps Thomas Jefferson stated the case as well as anyone when he said in 1823: "There is no danger I apprehend so much as the consolidation of our Government by the noiseless, and therefore unalarming instrumentality of the Supreme Court."

In summary, I emphasize that the people of any State have as a basic right the right to fashion their own legislative system within the safeguards implicit in our system of representative government. In the face of the Supreme Court apportionment decision of June 15, 1964, the only manner in which the people can now be guaranteed this right is for us in the Congress to submit an appropriate constitutional amendment to the States at the earliest opportunity.

I urge the Judiciary Committee to act now. Let the people of the great Nation have a chance to decide this issue. I still have faith in their wisdom.

WILLIAMSTOWN'S 200TH ANNIVERSARY

Mr. TALCOTT. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. CONTE] 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 California?

There was no objection.

Mr. CONTE. Mr. Speaker, Williamstown, Mass., has a long and distinguished history. This year marks its 200th anniversary. It is a fitting occasion for me to remind my colleagues of the outstanding contribution of this small Berkshire

community both to our national heritage and to America in 1965.

From the very beginning, the name Williamstown has been synonymous with education. In 1755 Col. Ephraim Williams of Newton, Mass., penned a clause in his will bequeathing a part of his estate for the establishment and support of "a Free School forever in the township west of Fort Massachusetts, called West Hoosac, provided it be given the name of Williamstown." The story goes that Williams had recently been spurned by a girl he wished to marry, and having no family of his own, had chosen this means to perpetuate his family name. A few weeks after writing the will he was killed in a battle in the French and Indian War.

Ten years later, the war over and the West Hoosac township expanding rapidly, Colonel Williams' bequest was brought up at a meeting of the town's board of proprietors. Benjamin Simonds was appointed to get the will from Northampton Court and see that it was executed for the benefit of the community. On June 21, 1765, the town was incorporated and its name changed to Williamstown.

Records show that the new town contained 28 homes on house lots and 26 on out lots, as well as 57 yoke of oxen, 83 sheep, and 20 cows. That there were more livestock than people attests to the fact that Williamstown was from the beginning an agricultural community. The first census showed 1,083 inhabitants, and by 1,800 the number had grown to 2,086.

By 1785 the executors of Colonel Williams' will had sold his estate and had raised enough money to establish the school. They petitioned the legislature, which passed an act incorporating the school and naming as trustees Rev. Seth Smith, Rev. Daniel Collins, William Williams, Theodore Sedgwick, Woodbridge Little, John Bacon, Thomas J. Skinner, Israel Jones, and Daniel Noble. It also granted the trustees a \$3,500 lottery, to which the townspeople added \$2,000. In 1790 the first building—now West College—was begun. The school was opened in October 1791 under the care of Mr. Ebenezer Fitch.

In June 1793, at the request of the people of Williamstown, the legislature reincorporated the school as Williams College. Mr. Fitch, later the Reverend Dr. Fitch, was elected president and met with a faculty of four men. The college held its first commencement on the first Wednesday in September 1795, and that remained its anniversary or Commencement Day until 1837.

In those early days, church and college were closely related. The boys were required to attend daily chapel and church on Sundays, as well as prayers at noon and vespers in the evening. So much organized religion probably had an adverse effect, for legend has it that morning chapel often found the Bible nailed to the pulpit, and once it was burnt.

During the second president's administration, an attempt was made to move the college to Northampton. Many similar institutions had sprung up in Vermont and New York, and the trustees

felt that the college would have to depend increasingly on students from Massachusetts for support. Hence a more central location in the State would be desirable. Also, proponents of the move had promised liberal support if the college were relocated.

The townspeople fought hard to prevent the removal. Special town meetings were held and "The Memorial of the Inhabitants of the Town of Williamstown," a document presenting arguments against the expediency and legality of the move, was drafted and presented to the legislature. The legislature concurred, and the college remained in Williamstown, where it has prospered to this day.

Williamstown responded with patriotism to President Abraham Lincoln's call for aid when the Civil War broke out in 1861. The town furnished 260 men, 18 above its quota. Six were commissioned officers. Five thousand dollars was voted for the support of families of volunteer soldiers, and those who volunteered were awarded bounties, usually \$100. The brave deeds of Williamstown's sons are recounted in a record compiled in 1878 by Dr. Samuel Duncan, a local historian.

Berkshire County in the 19th century was one of the most important industrial areas in New England, and Williamstown was a center of manufacturing activity. In 1826 a cotton factory known as Walley Mill was built on the west bank of the Green River. Two starch factories were established during the 1830's which continued for several years, the nearby farmers raising potatoes and selling them to the factories for 12½ to 20 cents per bushel.

The real manufacturing boom occurred in the latter half of the century. In 1865 the town directory listed 193 farms employing 277 people, while the sole cotton mill employed only 57. By 1885 the picture was very different: 180 farmhands were outnumbered by 272 factory workers. The industrial revolution was reaching into the Berkshires and breaking down the agricultural way of life.

The Williamstown Manufacturing Co., for the manufacture of print cloths was organized in 1865 by President Chadbourne, of Williams College. On January 17, 1878, the North Adams Transcript ran an article on the company and described Williamstown as "the model manufacturing property of the State." It listed the many advantages the village offered to factory workers: the low-priced country store, a union Sunday school, a growing library, and a never-failing spring. It mentioned the rules posted in every house that "no pigs or poultry shall be kept on the premises" and added that "there are over 20 houses containing parlor organs and several families indulge in the luxury of pianos."

Manifestations of the industrialization of the town were apparent everywhere. Low-cost row housing sprang up, in stark contrast to the fussy Georgian mansions favored by Williamstown's summer residents. Specialized shops replaced the old general store. The town's first bank was founded in 1883. The Hoosac Tunnel was opened and Williamstown was

linked by rail with the rest of the State. Two new textile mills were built, the manufacture of watches was begun, and a host of smaller industries contributed to the town's expanding economy.

Williamstown today is a pleasant and productive blend of industry, farming, and educational activity. While the great depression closed many of the mills and factories, two of the largest payrolls received today by Williamstown residents are those of the Cornish Wire Co. and the Sprague Electric Co. The expansion of industry in nearby North Adams encourages residential development in Williamstown and sustains her dairy farms. And the student body and faculty of Williams College comprise over 20 percent of the town's total population.

Williams remains the town's outstanding institution. It sprawls over 450 acres of beautiful hillsides. In its old brick buildings 1,200 young men are encouraged to develop a taste for intellectual adventure. Classes are small and emphasis is placed on individual and seminar work with members of an interested faculty. A variety of extracurricular activities and athletic opportunities are available. But above all, Williams is known as the "college of gentlemen," a tradition created by its first president and fostered by each succeeding one. As it turns its efforts toward the achievement of quality rather than size, it makes a significant contribution to the intellectual and cultural life of America in 1965.

Williamstown pauses this year to look upon its past. It need not do so with nostalgia or melancholy for a bygone golden age. Williamstown's golden age is still in progress, and there is every indication that it will become even brighter in the years ahead.

ASHFIELD BICENTENNIAL

Mr. TALCOTT. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. CONTE] 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 California?

There was no objection.

Mr. CONTE. Mr. Speaker, this weekend Americans everywhere are preparing to celebrate a great and historic birthday. The good people of Ashfield, Mass., in my congressional district are doing their part to see that this July 4 will be a memorable day. For Ashfield citizens, however, this Sunday's celebration will have a special significance, for it marks not only their country's birthday but also the 200th anniversary of the incorporation of their community.

Today, it is my pleasure to review briefly for my colleagues the fascinating story of how Ashfield got her start.

The place was first called Huntstown, in honor of Capt. Ephraim Hunt, of Weymouth. Hunt was sent to lead a company of men in an expedition against French-controlled Montreal and Quebec during King William's war in 1690. The assault failed, and the Government, anticipating victory, found herself unable

to pay the troops. As a result, Massachusetts issued bills of credit as a substitute, and in 1736, 46 years later, redeemed them by granting the soldiers a tract of land in what is now Ashfield.

It is doubtful that many of the men who endured the toils and hardships of the Canada expedition lived to collect the debt. But their heirs and legal representatives benefited from the Government's tardy remuneration, and in 1738 the first meeting of the proprietors of Huntstown was held in Weymouth.

The proprietors agreed that early settlement of the town would be desirable, since it would increase the value of their property. They passed a resolve that bounties of £5 should be paid to the first 10 settlers provided they built houses and cultivated at least 6 acres of their lands. In spite of this, it appears that most of the original proprietors sold their rights to others, and many of the lands were parted with for little more than the amount sufficient to pay the accumulated taxes on them.

No one knows the date of the first permanent settlement of Huntstown, but it was probably about 1741. Records show that preaching was had in 1742, and a corn mill was built in 1743. The first three families in order of arrival were those of Mr. Richard Ellis, Mr. Thomas Phillips, and Mr. Chibleat Smith. Soon others from Hatfield, Deerfield, and southern Connecticut joined them, and by 1754 there were from 10 to 15 families and nearly 100 people.

Tradition has it that Ellis became the town's first settler because of the knavery of a ship captain. It seems that a wealthy Virginia planter from Ireland, who had no children of his own, wrote to a friend in Dublin asking him to send over a promising young man to be his adopted son. Ellis was selected. The planter's friend paid his passage on a sailing vessel and instructed the ship's captain to land the lad safely on the Virginia coast. But the unscrupulous captain, money in hand, took the youth to Boston and sold him as an indentured servant. When his time was up, Smith moved to Easton, married, and later purchased a lot in Huntstown. He felled the first tree, on the bank of White Brook, and built a log cabin for his family on a hillside in the northeastern section of the town.

One thousand seven hundred and fifty-four was a memorable year. Fresh hostilities broke out between the French and English, and hordes of savage Indians were aroused against the defenseless frontier settlements. In June, a group of men at work near Rice's Fort in Charlemont was attacked, and two were killed. News of the attack soon reached the settlement at Huntstown, causing great alarm. A hasty meeting was held, and the pioneers decided that rather than expose their wives and children to the tomahawk they would flee. That very afternoon they set out, abandoning everything except what could be carried on horseback. As they made their perilous way, others joined them, until all had reached the older and safer settlements along the Connecticut River.

Huntstown remained deserted for about 2 years, after which the settlers regrouped and returned to their home. A fort was built, and the next year a company of nine colonial soldiers was assigned to guard the town. A vigil was kept at all times. Apparently these precautions were sufficient, for there were no more Indian attacks, and the town prospered. In 1783 a Congregationalist minister was settled, and 4 years later the townspeople built "a convenient house for public worship." In 1765 the town was incorporated under the name of Ashfield. The anniversary of that incorporation is being celebrated this weekend.

The year 1765 was only a beginning. I could go on to speak of the homes that were built, the schools, the stores, the factories, the churches. I could recount the patriotic participation of Ashfield's sons in our country's struggle for independence, and in the Civil War. I could describe their continuous effort to make their community a model American town.

The year 1765 was only a beginning. But it is a beginning that we celebrate this weekend. It is fitting that we look back at the spirit in which Ashfield made her beginning, so that we may all continue that spirit as we look ahead toward the future.

BIRTHDAY TRIBUTE TO HON.

H. R. GROSS, OF IOWA

Mr. TALCOTT. Mr. Speaker, I ask unanimous consent that the gentleman from Alabama [Mr. BUCHANAN] 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 California?

There was no objection.

Mr. BUCHANAN. Mr. Speaker, I join with my colleagues in tribute to one of the most distinguished Members of the House, the gentleman from Iowa [Mr. H. R. Gross], on the occasion of his birthday. An outstanding Member of the House, this gentleman has earned and holds the respect of all who know the value of a dollar or of a man who, with scholarship and devotion, guards the public till.

He is a staunch supporter of the sound, honest, responsible governmental practices which are the foundation of our national stability, and has unceasingly opposed all efforts to undermine the traditional structure of our Republic.

I join with my colleagues in wishing him many more years of productive and valued service to our Nation.

AID TO NASSER MUST CEASE

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

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

There was no objection.

Mr. RYAN. Mr. Speaker, today should have been the last day by which the ad-

ministration could have released the remainder of the \$37 million foodstuffs sale to the United Arab Republic. However, last week the administration decided that shipment was "in the national interest" and authorized the purchase of the remainder. This action was taken despite vigorous protests in Congress.

The Congress has long recognized that the United Arab Republic is, in every sense of the word, an aggressor, unworthy of our aid.

Yet, with this final wheat authorization, aid continues to Egypt. We know that Nasser has diverted 40 percent of the United Arab Republic rice crop for export, most of it to the Communist bloc—in violation of previous diplomatic agreement.

Assistant Secretary of State Phillips Taibot told the House Appropriations Committee recently that the Soviet Union had tripled its aid commitment to the United Arab Republic in 1964 and that one-third of all Soviet aid went to Nasser. In the past decade, the United Arab Republic has received over \$1.5 billion in economic aid and more than \$1 billion in military aid from the Soviet bloc.

U.S. economic aid to Egypt also went over the billion-dollar mark in the fiscal year which ends today. With the latest administration purchase authorization, the aid race continues unabated. Mr. Speaker, we must put an end to this foolhardy race. Let us recognize, once and for all, that Nasser aims only to dominate the Middle East and that his goals have nothing in common with America's.

A NEED TO AMEND THE TRADE EXPANSION ACT OF 1962

The SPEAKER pro tempore (Mr. MILLER). Under previous order of the House, the gentleman from Florida [Mr. SIKES] is recognized for 30 minutes.

Mr. SIKES. Mr. Speaker, I am in accord with the Members who have introduced legislation to amend the Trade Expansion Act of 1962. I, too, am convinced that it is in need of amendment, and I have offered a bill to this end. It is H.R. 9335 and is a companion bill to one introduced by my distinguished colleague from Florida [Mr. HERLONG].

The act of 1962 was supposed to come to the rescue of industries and worker groups or even individual companies that had been hurt as a result of former tariff reductions. It was supposed to offer Federal assistance in various forms, including relocation, financing, retraining, and so forth. The reasoning was that the injury was inflicted in behalf of a national policy and that therefore compensation should be provided when serious injury was done to an industry, a company, or a group of employees.

Implicit in this new approach was the abandonment of the previous policy that went back to 1934, to take great care in tariff reductions not to cause serious injury to industry. Now the likelihood of injury is accepted as inevitable, since a 50-percent tariff reduction, such as the 1962 act provided, would surely cause distress in many industries. However, the

compensation was also to be extended to all cases of past tariff reductions if serious injury resulted.

Unfortunately the conditions laid down in the law were so strict that all cases that have been brought before the Tariff Commission have failed. Not a single cent of compensation has been paid for the simple reason that the Tariff Commission has failed to find, first, that a tariff reduction was the major cause of the increase in imports complained of, and second, that conjointly the increase in imports was the major cause of the distress experienced. Both criteria must be met or the case fails. This requirement is a major stumbling block to all applicants for assistance.

Of the 17 cases that have been processed since October 1962 when the Trade Expansion Act went into effect, 16 were turned down unanimously by the Commission. The other case was also rejected but only by a majority vote. Of the 17 applications for relief, 9 were made by industry, 5 by labor unions, and 3 by manufacturing firms. Because of this failure, the Tariff Commission today does not have a single adjustment assistance case on its docket.

In order to overcome this difficulty, the bill that I am introducing in company with others would relax the requirements for relief. The law as written requires that a tariff reduction must have been the major cause of increased imports and, secondly, that the injury complained of must have been caused in major part by the higher imports. The Tariff Commission has not been able to find this double combination of causes in any of the cases.

Mr. Speaker, the escape clause that was previously in effect was itself unsatisfactory as a remedy because of its negative administration, but it was more responsive to the needs of our industries than the wholly negative record under adjustment assistance.

Because of the generally prosperous conditions that have been prevalent in recent years in this country, there are those who wonder why any concern should be expressed over a remedy for injury from imports. We are exporting more than we are importing; and therefore exports, it is argued, provide more employment than imports displace.

On the surface this contention is plausible, but it is in fact very superficial. The havoc worked by imports is not at all confined to the direct displacement of workers. Much more important is the dampening effect that rising imports produce on domestic industrial expansion. Imports readily discourage the building of new plants or expansion of existing ones because they create doubts and fears about the future. Many examples exist of the incursion of imports that after a modest beginning have soon escalated to an alarming degree. The record does not permit the calm contemplation of such competition by any industry.

In recent years imports of manufactured goods have invaded new territory, centering about products that had not previously been imported to a menacing degree to domestic industry. In many

cases the imports have risen rapidly after gaining a foothold and have soon captured 5, 10, 15, or 20 percent of the domestic market. In some instances they have not stopped there. Fishery products, tile, bicycles, hardwood plywood, portable typewriters, sewing machines, small radios, radio tubes, certain textile products, boots and shoes, softwood lumber, woolen goods, apparel, steel products, such as nails, wire, bars, and so forth, clocks and watches, cordage, wood screws, meat, lead and zinc, petroleum, strawberries, cantaloups, and other products have amply demonstrated the capacity of imports to come to a high water mark in a few years.

Industries that have long had nothing to fear from imports may today come under a sudden attack.

The cause of this is not hard to trace. Since the late 1950's other industrial countries have begun to catch up with their home markets and set out to increase their exports. This is especially true of the countries that are the least self-sufficient and therefore highly dependent on trade to sustain their economy. Japan is perhaps the best example. European countries are not far behind.

These countries have undergone an industrial rebirth, with generous transfusions from our treasury and our technology and business methods. Today they are in a position to outrade us in many lines; and the number of lines in which they can do so is increasing every year.

We need feel no alarm about this except for the one inescapable fact; namely, their lower unit cost of production, derived from the generally much lower wages they pay compared with the American scale. They now have the machinery and the modern technology that give a special advantage to low wages. While foreign wages have risen relatively more than our wages, that is, by higher percentages, our wages, together with fringe benefits, have risen more in actual dollars and cents than foreign wages. After all, a 4-percent increase here equals one of 10 percent in Europe and more than one of 20 percent in Japan.

It is because of the experience of many industries with imports that the specter of rising imports in any industry causes a chill. The optimism induced by a bright outlook that leads to plans for expansion is soon darkened, and defensive measures are considered instead. If imports gain relentlessly as they have in many instances and may be expected to do in yet other industries, the defense measures may take one of two, or both, directions.

Costs will come in for close inspection. If wages cannot be reduced—and that is out of the question today—the number of workers may be reduced, because wages represent by far the heaviest cost factor. The way to accomplish lower costs is then to install more modern machinery—machinery that will enable two men to do what three or four or more did previously.

If this can be done—that is, assuming sufficient financial or credit resources to accomplish it—imports can probably be stood off or at least retarded in their

pace; but what happens to employment? What has become of the expansion that would have absorbed more workers? What becomes of the consumer purchasing power needed to absorb increased output?

We can now appreciate the deadening effect of rising imports that extends far beyond the overt displacement by imports of those actually employed. Expansions not made are the same as workers not hired. These then swell the ranks of the unemployed.

Just as there are those who still claim that exports create more jobs than imports displace, there are those who poohpoo the evidence that American industry in many of its parts is not competitive in world markets. The blindness shown in the one instance seems to extend to the other.

It permits those who contemplate our export surplus in goods to regard this surplus as sure evidence of our competitive prowess.

Mr. Speaker, there are two reasons why we cannot view this surplus with optimism. One is that the much-touted export surplus is not what it seems. It is largely artificial; ersatz, so to speak. It is in great degree forced and illusory. Quite a few billions of it are accounted for by foreign aid, exports under Public Law 480, and so forth, and by exports induced by export subsidies, such as cotton, wheat, and dairy products.

A close analysis will show that we do not enjoy an export surplus of a kind that would demonstrate our superior competitive standing. The fact is, as I shall show shortly, that this country has been suffering a shrinkage in relation to the rest of the world in the kind of exports that mean most for employment, which is to say exports of finished goods as distinguished from raw materials and farm products.

I have said that the defensive measures adopted by domestic firms is of one or two kinds, or both. I have mentioned the steps to reduce costs by installing labor-saving machinery. When these steps are taken as defensive measures against low-cost competition they do not lead as they did in the past to sufficiently higher sales to cause an expansion in employment. The imports prevent this. Thus are the benefits of technological improvements that in the past led to lower prices and higher consumption effectively dissipated.

Another defensive measure taken by many companies has led them into foreign fields in search of lower costs. This has meant sending capital abroad in lieu of domestic expansion. In turn it has meant hiring foreign workers rather than our own. As we all know, our foreign investments have boomed so greatly that the Government has taken steps to slow down the outflow.

These investments more than anything else demonstrated that the outlook for additional earnings were brighter abroad than at home. They also reflected the relatively weak competitive position of the domestic base.

The upshot is that the defensive steps taken by domestic industry, in seeking to ward off or to withstand the competitive

impact of imports and to hold foreign markets, have produced employment stagnation at home. This condition would be greatly aggravated by further drastic tariff reductions such as are contemplated in the negotiations underway in Geneva. It is not too late to make some highly cogent reservations of items beyond the few provided in the act itself.

I have mentioned the declining status of the United States in the world markets, especially so far as exports of manufactured goods and manufactured foodstuffs are concerned. I wish to throw some much-needed light on this trend.

According to statistics published in the Statistical Yearbook of the United Nations, this country has lagged seriously in our standing as exporters of manufactured products. This fact takes on more ominous overtones when we keep in mind that our exports have been greatly stimulated by subsidies, foreign aid shipments, and so forth, and have therefore reached distinctly higher levels than they would have otherwise.

Turning now to the UN statistics we find that while in 1957 this country enjoyed 18.5 percent of total world exports, this share declined to 16 percent in 1958 and remained at that level in 1960. In 1961 we dropped to 15.6 percent then to 15.2 percent in 1962 and down to an even 15 percent in 1963. In the latter year our exports were \$22.9 billion of a world total of \$153 billion. Had our share remained at the 1957 level these exports would have been \$28.3 billion or more than \$5 billion above their actual level.

The trend, however, assumes more serious proportions when we record the increase in exports of manufactured goods since 1958, which is the base period used for this purpose in the UN yearbook, probably because of the advent of the European Common Market in that year.

The index figures used show the increase recorded in the exports of each country from the 1958 base of 100 through 1963:

Index of 1963 exports compared with the 1958 base of 100

1963 over 1958:	
Italy.....	235
Japan.....	209
France.....	165
Netherlands.....	162
Belgium-Luxembourg.....	161
West Germany.....	155
Canada.....	134
United Kingdom.....	118
United States.....	117

This record placed the United States at the bottom of the list. The exports of manufactured goods of both Japan and Italy more than doubled from 1958 to 1963. French exports increased 65 percent, Dutch exports, 62 percent; Belgian, 61 percent; the West German, 55 percent, and so forth. Only the United Kingdom had a record comparable to our own. Their exports had increased only 18 percent, but this was still one percentage point above our 17 percent. The Canadian increase was double ours.

In other words, not only has the United States receded in its share of total world exports since 1957, but we have been badly outdone by most of the

European countries and Japan in expanding exports of manufactured products.

Our own imports have shown a sharp trend toward a heavier proportion of finished goods and manufactured foodstuffs in the past 10 years, moving from a third to a half of total imports. On the other hand our exports of farm products, stimulated heavily by subsidies and foreign aid operations, have grown impressively in recent years.

This trend is in the direction of the unhealthy mix of trade that has so greatly worried the underdeveloped countries in their trade with the industrial nations. It is an unhappy trend that runs counter to the extensive efforts to solve the unemployment problem in this country. Retraining, area redevelopment or antipoverty programs will be of little effect so long as these export-import trends continue, as they will unless the Trade Expansion Act is appropriately amended.

Under the present competitive status of this country in world trade and the difficulty with maintaining employment, further tariff reductions would only aggravate our employment problem. I believe that we should modify our trade policy by reshaping it to support the better health of our economy. Instead of plunging into reckless tariff reductions in order to fulfill some doctrinaire philosophy, we should take a reading from the trends of our trade in recent years, from the trend of employment and from the mounting outflow of investment dollars, and temper our trade policy accordingly.

That is the purpose of the legislation I am introducing and am happy to support.

THE 189TH ANNIVERSARY OF THE SIGNING OF THE DECLARATION OF INDEPENDENCE IN PHILADELPHIA

The SPEAKER pro tempore (Mr. MILLER). Under previous order of the House, the gentlewoman from New Jersey [Mrs. DWYER] is recognized for 10 minutes.

Mrs. DWYER. Mr. Speaker, on the eve of adjournment prior to the weekend on which the Nation will celebrate the 189th anniversary of the signing of the Declaration of Independence in Philadelphia, I should like to call the attention of our colleagues to two very closely related matters.

The first concerns the concurrent resolution adopted by the House and the Senate in 1963 which provided that the great national holiday on the Fourth of July should be observed each year by the ringing of bells throughout the United States at the hour of 2 o'clock in the afternoon, eastern daylight time.

Since this was a continuing resolution, in effect, and declared the intent of Congress that the practice of ringing bells should be followed on each Fourth of July, there would be no special purpose to be served by adopting such a resolution every year. For the same reason, however, it is most appropriate for those of us who introduced similar resolutions in

1963 to remind our colleagues as well as civic and other community leaders throughout the country of this preferred means of commemorating the signing of the Declaration of Independence.

The second matter, Mr. Speaker, concerns the display of the American flag on Government buildings. Today, I introduced a concurrent resolution which reads as follows:

The President is requested to issue an Executive order prescribing a uniform rule for the daily display of the flag of the United States of America on buildings under the jurisdiction of the executive branch of the Federal Government.

Although the Flag Code already provides, and I quote, that "The flag should be displayed daily, weather permitting, on or near the main administration building of every public institution," this provision, like the rest of the code, is not mandatory. It expresses only the desires and exhortations of the Congress, but carries with it no penalties or other sanctions which permit of the code's enforcement.

While it is not my purpose today to recommend a thoroughgoing revision of the Flag Code in order to make the display of the flag mandatory rather than voluntary, nor in this respect to impose the will of Congress upon States and local communities, it seems both appropriate and important that the flag be flown on a daily basis from every Federal building or institution in the United States. Such an objective could be most suitably accomplished, I believe, if the President, who is the Chief Executive of the United States, would prescribe this practice for the departments and agencies under his jurisdiction.

As we all recognize, the flag is the principal symbol of the unity of the United States of America, just as the Federal Government is the institutional reality of that unity. Like the ringing of bells, the display of the flag provides an opportunity for our people to remember what it was that the signers of the Declaration of Independence and the framers of the Constitution brought into being and to ponder its significance for the present. As a very minimum, therefore, the flag should be flown wherever the Federal Government, through one of its agencies, is physically located, and I hope that our colleagues will adopt this resolution as one way of bringing this about.

In just a few days, Mr. Speaker, we shall be celebrating the Fourth of July, and in doing so we shall be celebrating the courage and vision of the men who signed the Declaration of Independence and struck this first great blow for American freedom.

But it is never enough simply to look to the past in the sense of completed history. The Declaration of Independence, in particular, has always been a uniquely living document, phrased in language that seems permanently contemporary, and possessed of the power to inspire people everywhere to the pursuit of personal liberty and national independence.

It is our task to make of the Declaration the truly revolutionary statement

it has always been, to make its enduring principles come alive again in our own day. It has never been more important for all Americans to understand what freedom means, to appreciate the blessings that freedom has brought us, to face together the dangers which freedom confronts, and to accept the obligations which freedom imposes upon all of us.

It belongs to every generation and to each person to keep freedom alive and growing—in the human spirit, in our institutions, and in the law of the land. Even in our own country—proud as we rightfully are of how freedom has thrived among us—freedom is still our unfinished business. And beyond our borders, the situation is even more challenging.

Let us think of these things, Mr. Speaker, and let us reflect carefully on our obligations as free citizens of this great land, especially on the Fourth of July, as the flags fly and the bells ring out for freedom.

GUN LEGISLATION SHOULD BE ON RIGHT TARGET

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Ohio [Mr. ASHBROOK] is recognized for 30 minutes.

Mr. ASHBROOK. Mr. Speaker, it is very important that we give prime consideration to the pending gun legislation which is before the Congress. Having followed this matter very closely during the past 5 years and particularly since the assassination of President Kennedy, I am convinced that we should not respond out of hysteria to the need for legislation and come up with punitive measures which would go far beyond anything which is needed to protect the legitimate interest of the public. I am convinced that legislation which hits the right target will punish the criminal and not the gun.

In the frenzied effort of many do-gooders to get restrictive legislation passed, the hunter, sportsman and conservationist is treated as a potential felon. Reputable citizens clearly have the right in this free country to own and use firearms within a reasonable regulatory context for the legal and proper purposes of defense, marksmanship, training and sport. We must never lose sight of this basic right. No one should be so naive as to think that a bill making it difficult to purchase firearms for legitimate purposes would in any way impede the unlawful conduct of the criminal or prevent him from securing a gun. I have introduced two pieces of legislation which are directed at the criminal and not the gun and I am hopeful that we can secure their passage.

In his March 8, 1965, message to Congress, President Johnson urged that the Congress adopt legislation which would amend the Federal Firearms Act to prohibit firearms shipments in interstate commerce except among importers, manufacturers, and dealers licensed by the Treasury Department. Many proposals have been introduced which would go far beyond the President's recommendations.

I agree that unrestricted sale by mail-order houses of concealable firearms to minor children, known felons, or undesirables is the type of activity which should be curbed but I vehemently oppose efforts to register firearms by serial numbers, restrict the sale to bona fide purchasers and otherwise impinge on the right of Americans to peaceably bear and use arms.

MISUSE PROPER OBJECT FOR LEGISLATION

Mr. Speaker, misuse of firearms has always been a proper object of legislation but not the firearm itself. One reasonable exception should, of course, be made. The war-type and gangster-type weapon should be controlled. Machine-guns, bazookas, antitank guns, and so forth, are hardly the type used by citizens for defense, marksmanship, training, or sports and they should unqualifiedly be regulated. Small arms are of an entirely different nature and should not be lumped together with the gangster type of weapon.

In the theory that we should disarm the criminal and not the law-abiding citizen, I have joined with many of my colleagues in introducing legislation which is directed at the criminal use of firearms. My bill, H.R. 9574, provides that "whoever, during the commission of any robbery, assault, murder, rape, burglary, kidnaping, or homicide—other than involuntary manslaughter—uses or carries any firearm which has been transported across the boundary of a State, the District of Columbia, or a territory or possession of the United States shall be imprisoned for 25 years."

This is identical to legislation introduced by Representative BOB CASEY, of Texas, and has the support of the National Rifle Association and other sportsmen and conservation groups. As a companion piece I have also introduced H.R. 9575 which would amend the Federal Firearms Act and institute the following principal provisions:

First. The Federal Firearms Act would no longer apply to interstate commerce in ammunition or parts of firearms other than the receiver.

Second. It would be unlawful for any person who is under indictment or who has been convicted by any court of a crime punishable by imprisonment for a term exceeding 1 year, or who is a fugitive from justice, to receive any firearm which has been shipped or transported in interstate or foreign commerce.

Third. It would be unlawful for any manufacturer or dealer knowingly to deliver to any common or contract carrier for transportation in interstate or foreign commerce, any package in which there is a handgun, or a machinegun, or a sawed-off rifle or shotgun, without written notice to the carrier that such a firearm is being shipped.

Fourth. It would be unlawful for any common or contract carrier to deliver, or cause to be delivered, in interstate or foreign commerce a handgun, machinegun, and so forth, to any person with knowledge or with reasonable cause to believe that such person is under 18 years of age.

Fifth. It would be unlawful for any manufacturer or dealer to ship any hand-

gun, machinegun, and so forth, to any person other than a licensed manufacturer or licensed dealer, unless the person to whom such handgun is to be so shipped has submitted to the manufacturer or dealer a sworn statement to the effect that he is, first, 18 years of age; second, that he is not a person prohibited by Federal law from receiving a handgun in interstate commerce, and that there are no provisions of law applicable to the locality in which the handgun will be shipped which would be violated. Such sworn statement shall also contain the name and address of the principal law enforcement officer of the locality to which the handgun is to be shipped.

Sixth. Prior to making shipment the manufacturer or dealer is required to forward by U.S. registered mail to the local law enforcement officer named in the sworn statement, a copy of the statement and the description of the handgun being shipped, which description will include manufacturer, caliber, model, and type of handgun, but not including serial number. The manufacturer or dealer is obliged to receive either the return receipt evidencing delivery of the registered letter or the return of the letter because of the refusal of the addressee to accept, in accordance with U.S. Post Office Department regulations.

Seventh. It will be unlawful for any person to cause to be transmitted by U.S. mail or to cause to be transported in interstate or foreign commerce any such sworn statement which contains any false statement as to any material fact for the purpose of obtaining a handgun.

Eighth. The license fee for a federally licensed manufacturer will be increased to \$50 per year. The fee for a federally licensed dealer, increased to \$10 per year. The fee for a federally licensed pawnbroker, to \$50 per year.

Ninth. The act shall not apply to the transportation, shipment or receipt of any antique or unserviceable firearm or firearms possessed and held as a curio or museum piece. Exemption is also included for those organizations, or persons, to whom firearms may be lawfully delivered by the Secretary of the Army.

We are definitely in need of Federal action to clarify standards by which an individual may transport his own weapons across State lines in observance of the law. Under many State and local laws, it is presently impossible for a citizen to transport a hand weapon from Ohio to Maine without running afoul of the law. This deplorable situation should be rectified.

CONCLUSION

This legislation is identical to the King-Hickenlooper proposals and I earnestly hope we can secure passage of this bill in the 89th Congress. Our criminal problem is the result of many socioeconomic factors but the gun cannot be blamed. Far more conducive to crime has been the laxity of our judicial system which coddles criminals and fails to use the laws which are on the books now to take these felons out of circulation. Accidents and crimes with firearms cannot be prevented by passing laws aimed at the gun. We should not succumb to the emotionalism and frenzy

which has been whipped up by many do-gooders and far-left-wing thinkers who have devious motives in disarming our citizenry. This is one basic right which is a principal criterion of a free man. Remove it, register his firearms, and surround his purchase with redtape and Government forms, and you have driven one more nail in the coffin of American freedom. Public safety and security should be and must be protected. It will be less protected rather than more protected by vindictive legislation directed at the many millions of Americans who peaceably use their firearms consistent with the public welfare. My bills, H.R. 9574 and H.R. 9575, will accomplish everything that we need and put the penalty on the criminal, not the gun.

THE U.N. AT THE CROSSROADS

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New York [Mr. RYAN] is recognized for 15 minutes.

Mr. RYAN. Mr. Speaker, as we mark the 20th anniversary of the United Nations, the outlook for the future of the organization is uncertain. The achievements of the United Nations—in peacekeeping activities, in humanitarian pursuits, and in economic development tasks—as well as the dynamic evolution of the organization itself are overshadowed by the lingering threat of the financial and constitutional crisis over peacekeeping debts. The General Assembly is in paralysis while the two great powers, the United States and the Soviet Union, remain deadlocked over the arrears problem.

The current crisis has in part resulted from the U.N.'s past development and growth. The evolution and expansion of its peacekeeping powers in particular have created tensions and growing pains which must be resolved if the organization is to continue developing in effectiveness. The first prerequisite for the U.N.'s 21st year is a solution to the peacekeeping problem, a mutually acceptable agreement on how future peacekeeping operations should be authorized and financed, and a compromise arrangement on arrears. Only when the current constitutional crisis over peacekeeping is resolved can the United Nations look to the future.

It is often said, sometimes in compliment to the United Nations and sometimes in criticism, that the United Nations of 1965 is a far different organization from that envisioned by the framers of the San Francisco Charter in 1945. I agree. The United Nations is far from the same organization today that it was two decades ago, and I consider this important. The changes in the United Nations have been changes of growth and development. They are irrefutable testimony to the flexibility of the charter and to the adaptability of the organization to the changing needs of a dynamic international society. The world today is far different from the world of 1945, and the United Nations merely reflects these changes.

Three major institutional changes have occurred in the United Nations

during the history of its first 20 years—the expansion of the peacekeeping role of the General Assembly, the development of the functions of the Secretary-General, and the more than doubling of U.N. membership. These changes have contributed significantly to the effectiveness of the United Nations over its first 20 years. The major accomplishments of the U.N. during this period have been numerous.

The most sensational and controversial are, of course, the peacekeeping missions in which the United Nations has been engaged since 1945. There have been more than a dozen, ranging from mediation to the dispatch of armed forces: in Indonesia, Greece, Palestine, Kashmir, Korea, Lebanon, Jordan, Laos, Suez, the Congo, West Irian—Dutch New Guinea—Yemen, Cyprus. In some instances a political settlement has been reached through the services of a U.N. mediator or conciliation commission. In other instances a U.N. commission is still patrolling a truce line or a U.N. mediator is still supervising negotiations after several years of unsuccessful efforts to reach a settlement. Thus, for example, U.N. truce machinery has been in Palestine since 1948. A U.N. military observer group has been in Kashmir since 1950.

The best known of the U.N. peacekeeping missions have been those involving the actual dispatch of armed forces to put out small wars. Three of these operations in particular—because of the large number of forces involved, the magnitude of the U.N. role, and the international repercussions of these threats to the peace—have significantly contributed to the reputation of the United Nations as guardian of the peace: Korea—1949–53; UNEF (Suez)—1956 through the present; and the Congo—1960–64.

It is only fair to admit that not all of the United Nations peacekeeping ventures have been total successes. Some have been partial successes: The Suez crisis ended in a truce in the Middle East, but the U.N. force has continued patrolling the truce lines for 9 years now to quell periodic outbreaks of violence. Others have failed: The Yemen mission of last year ended in failure when Saudi Arabia and the United Arab Republic refused to comply with the U.N. demand for withdrawal of forces. Still others have been successfully terminated, such as the Lebanon mission in 1958.

In spite of partial successes and failures, however, the United Nations peacekeeping role has undoubtedly contributed to international peace and security during the revolutionary period of the last two decades. While there have been no major wars, there have been numerous brush-fire conflicts which might have escalated into larger scale wars had there been no U.N. presence. The crucial factor has been the neutralizing role of the U.N.: The existence of an impartial mediator. While the United Nations has not always been able to work out a political settlement between the disputants—witness the current problems of the U.N. mediator in Cyprus—U.N. forces and truce supervisory teams have at least been able to lessen tensions by forming a

neutral barrier between warring factions and thereby preventing local conflicts from escalating into major threats to international peace. In this manner the United Nations has fulfilled one of the primary functions given it in the charter: to maintain international peace and security.

Because of the current crisis over authorizing and financing peacekeeping operations the future development of the U.N. peacekeeping capacity is uncertain, but not wholly pessimistic. Even in the midst of the paralysis over U.N. peacekeeping, a significant development has taken place among some of the individual members of the United Nations. First Canada, then the Scandinavian countries, and now several other U.N. member nations—Netherlands, Italy, Iran, New Zealand—have announced that they are earmarking troops for U.N. peacekeeping forces. These developments raise the hope that if only the current crisis can be satisfactorily resolved, the United Nations will continue to evolve into an increasingly effective peacekeeping institution.

Emphasis on the peacekeeping role of the United Nations has tended to obscure other important accomplishments of the organization. In the humanitarian field for example, the United Nations has taken some significant steps toward the international protection of human rights, beginning with the adoption of a declaration against genocide on December 11, 1946. The declaration affirmed that genocide—committing certain acts with intent to destroy, in whole or in part, a national, ethnic, racial, or religious group—was a crime under international law. A convention on genocide was adopted by the General Assembly in December 1948, which declared genocide itself and conspiracy or incitement to commit genocide punishable and required all countries ratifying the convention to adopt laws giving effect to the convention and to grant extradition in cases of genocide. Sixty-seven governments have since acceded to the genocide convention. Unfortunately, the United States is not included.

A major landmark in U.N. human rights action was the adoption by the General Assembly of a Universal Declaration of Human Rights on December 10, 1948. This action by the U.N. Assembly marked the first time in history that the international community, acting through an international organization, has formally assumed responsibility for the protection of basic individual liberties. The declaration set a common international standard of achievement, outlining such basic individual freedoms as the right to life and liberty, to equal protection before the law, to free movement and residence, and the right to freedom of thought and religion, of opinion and expression, and of peaceful assembly and association. Currently an International Bill of Human Rights is being drafted to promote the observance and implementation of the rights and freedoms set forth in the universal declaration.

Mr. Speaker, building upon the Universal Declaration of Human Rights, the

United Nations has since 1948 adopted several human rights conventions, legally binding on all members which ratify them. These include a convention relating to the status of refugees, in 1951; a convention on the political rights of women, in 1952; a convention relating to the status of stateless persons, in 1954; a supplementary convention on the abolition of slavery, the slave trade, and institutions and practices similar to slavery, in 1956; a convention on the nationality of married women, in 1957; a convention concerning the abolition of forced labor, in 1957; and a convention on consent to marriage, minimum age for marriage, and registration of marriages, in 1962. These conventions were designed to combat some of the most flagrant abuses of human rights by setting specific international standards that members ratifying the conventions would be required to comply with, and that even nonratifying members would feel a moral pressure to emulate.

A major recent step in U.N. action on human rights was the adoption by the 1963 General Assembly of a Declaration on the Elimination of All Forms of Racial Discrimination. This declaration called discrimination on grounds of race, color, or ethnic origin an offense to human dignity and a denial of the principles of the United Nations Charter, and declared that "all states shall take effective measures to revise governmental and other public policies and to rescind laws and regulations which have the effect of creating and perpetuating racial discrimination wherever it still exists."

The United Nations has become a world conscience on human rights questions, where none existed before.

U.N. work toward human rights has not been wholly on a theoretical and general level, however. One of the most noteworthy examples of U.N. concern over specific human rights issues is the long continuing discussion—first in the General Assembly and later in the Security Council—and the many attempts to find a solution to the problem of apartheid, or racial separation in South Africa. As early as 1952 the General Assembly called South Africa's racial policy "a flagrant violation of the basic principles of human rights and fundamental freedoms which are enshrined in the Charter of the United Nations." U.N. commissions have been appointed to study the problem and make recommendations. The United Nations has listened to petitioner after petitioner from South Africa. Even though the United Nations has thus far been unable to influence the South African Government's policy, it has at least illustrated the concern of the international community about policies of racial discrimination.

Portugal's policy toward its African territories has also come increasingly under fire in the United Nations. The United Nations has time and again condemned repressive measures by the Portuguese authorities to put down revolt in the territories. Economic sanctions have been urged against both South Africa and Portugal for refusing to com-

ply with U.N. resolutions, and a U.N. presence in the Portuguese territories has been suggested. These U.N. efforts to secure basic human rights can be expected to continue.

At a more concrete level, United Nations efforts to improve man's lot have assumed the form of ever-expanding economic development programs around the world. Early in the U.N.'s history, in response to a provision of the United Nations Charter calling for the creation of various agencies in economic, social, cultural, educational, health, and related fields, the specialized agencies were established, among them: UNESCO, the Food and Agricultural Organization—FAO—the International Labor Organization—ILO—the International Bank for Reconstruction and Development, and the World Health Organization. Devoted exclusively to the improvement of economic and social conditions, the specialized agencies have become involved in a worldwide multilateral aid program which, even though it cannot compare in magnitude with the U.S. bilateral aid program, has had significant impact on the less-developed areas.

The establishment of the U.N. Expanded Program of Technical Assistance—EPTA—in 1949 was the first important step toward expanding and making more effective the U.N. aid program. Financed wholly by voluntary contributions from governments, EPTA was created jointly by the United Nations and the specialized agencies to plan and coordinate technical assistance activities. Its chief form of assistance is the provision of experts, fellowships, supplies, and equipment. EPTA selects and coordinates projects, and their execution is the responsibility of the specialized agencies.

About \$500 million has been paid to the EPTA program since its beginning in 1949. In 1963 alone EPTA awarded 2,545 fellowships to applicants in less-developed countries for training abroad in such fields as medicine, public administration, engineering, industrial management, teaching, and community services. In the same year a total of 3,037 experts were sent by EPTA into the less-developed countries to aid in health problems, education needs, labor relations, and other fields. One of the largest EPTA projects, executed by UNESCO, has been the provision of experts and equipment to set up five technological institutes in India for the training of students in scientific and technological skills.

Another important development in U.N. assistance efforts was the establishment of the Special Fund in 1959 to supplement then existing programs by extending assistance for preinvestment projects. Like EPTA, the Special Fund is financed by voluntary contributions from governments. Assistance falls into three main categories: resource surveys and feasibility studies; applied research and demonstration projects in industry and agriculture; and manpower training and technical education. By mid-1964 the Special Fund had expended some \$374 million on 421 different projects in 130 countries and territories. One of

the largest of the recently approved Special Fund projects is a feasibility study of a changeover to irrigated agriculture in the Senegal River valley and delta in Africa, affecting four African nations. Another recently approved Special Fund project, to be executed by the International Atomic Energy Agency, is a program to eradicate the destructive fruit fly from Central America through the services of experts and consultants and with the use of scientific equipment and insecticides.

As an indication of the United Nations' intensifying interest in economic development problems, the 1961 General Assembly adopted a resolution designating the current decade the "United Nations Development Decade," and set as its goal the increase of national income in developing countries by 5 percent annually by 1970, with continued growth thereafter. Probably the most significant occurrence yet of the Development Decade thus far was the U.N. Conference on Trade and Development—UNCTAD—in which delegates from 120 different countries participated during spring of 1964. The purpose of the Conference was to seek ways of helping the developing countries earn the necessary funds to translate the goals of the development decade into higher living standards.

The Conference focused on aid and trade problems of the developing countries, in particular on the need for increasing the export earnings of the developing countries and for accelerating their rate of development. The less developed countries—75 African, Asian, and Latin American nations—stood united on all important matters at the Conference and determinedly pressed their demands for more flexible aid terms and an improvement of their trading position.

Although no solutions were reached at the Conference, the 19th General Assembly decided to continue the Conference on a permanent basis and to create a 55-member Trade and Development Board as a permanent organ of the Conference. Thus, the Conference would appear to be the beginning of a continuing dialog between the rich and the poor in the U.N. on ways of reducing the gap in living standards between them.

Mr. Speaker, the differences of views among members—East and West, rich and poor—are apparent, not only on political issues, but even on development problems. The differences are not, however, new. Most of them have always been there. The chief significance of the United Nations is not that it can erase differences among nations, but rather that it can accommodate them. In spite of disagreements among members in the past, the United Nations has chalked up some noteworthy accomplishments—in peacekeeping, in pursuit of human rights, and in development activities. This year has been designated "International Cooperation Year" by the United Nations. Let us hope that, before the year is out, the problems currently threatening the organization will be resolved so that members may begin working toward the further development of international cooperation through the United Nations.

AID PRACTICES THE ECONOMY IT PREACHES

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. BINGHAM] may extend his remarks at this point in the Record and include extraneous matter.

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

There was no objection.

Mr. BINGHAM. Mr. Speaker, there are several very good reasons why our foreign aid program today is effective. Not the least of them is improved management and administration under the direction of the present AID Administrator, David E. Bell.

I believe that David Bell and his staff of dedicated men and women deserve the thanks and appreciation of both Congress and the American public for the efficient and economical manner in which they are conducting our foreign aid program.

Like the developing countries who are receiving our aid, the AID staff is constantly searching for new and improved methods of doing things.

Our experience in the foreign aid business has demonstrated that sweeping reorganizations are not the answer to the problems which confront us. The answer lies in consistent improvements within a basically stable organizational structure—such as we are getting today in AID.

I believe the following information, furnished to me by AID, is of interest in this connection:

First. In 1964, AID inaugurated a new agencywide management improvement program designed to streamline operations, increase employee productivity and cut the costs of doing business. As a part of this program, AID has underway, or is initiating in the coming year, major efforts to—

Devise new methods for the more rapid and effective execution of approved programs;

Increase the impact and effectiveness of AID technical assistance programs; and

Continue to tighten personnel and manpower management for optimum use of scarce personnel resources.

Second. AID's present programing process is both rigorous and comprehensive. It involves:

Planning and review on the ground by the AID mission and the country team under the direction of the Ambassador.

Further review in Washington by the regional assistant administrators and by Mr. Bell; and

Continuous interchange of questions, ideas, and information between the field and Washington.

This process involves evaluation of self-help efforts and shortcomings, discussions with host governments, coordination with other donors, and longer range analyses of opportunities, needs, and problems.

The results are programs carefully worked out to further U.S. objectives in each specific country. Where stability

and self-help efforts warrant, our program may provide major development assistance—primarily in the form of loans. Where security considerations require, our program may focus on major support of defense and counterinsurgency efforts, or maintaining stability—usually through supporting assistance. In many situations, AID assistance is limited—often to small programs of technical cooperation. This is true, for example, when another developed country is providing the bulk of the assistance needed by a recipient country.

Third. During the past year, major emphasis has been given to Far East programs, particularly the requirements of Vietnam, Laos and Thailand. Requisitioning, procurement and delivery of supplies and equipment to these countries has already been speeded up substantially. AID is now developing an automated system to provide faster procurement and shipping of U.S. excess property for these programs.

AID is working in close collaboration with the General Services Administration and the Department of Defense to expedite procurement and shipment of equipment and supplies needed in AID program operations.

Fourth. AID is also participating in a special multi-agency foreign affairs information management project under the leadership of the Bureau of the Budget. Its objective is to assess and improve existing internal information and reporting systems of U.S. foreign affairs agencies. The end result will be a more rapid and effective system of gathering and using pertinent information on foreign affairs from collection to storage and retrieval.

Fifth. In 1964, several of organizational innovations also were adopted to increase AID's operating efficiency and effectiveness. For example:

A single regional mission was established to administer the limited foreign assistance programs which AID conducts in a number of African countries. Small, continuing U.S. assistance efforts in up to 16 countries will be administered through this relatively small Washington-based organization, with few direct-hire AID staff stationed overseas. As of December 1964, full responsibility for administering AID programs in eight of these countries had already been transferred to the regional mission in Washington, thus eliminating the need for individual missions in each country.

The operations evaluation staff was organized to provide AID's Administrator with periodic assessments of the operational performance and effectiveness of the overseas missions.

An Office of Labor Affairs was established to strengthen the Agency's institution building efforts in the labor field. This office works closely with the U.S. labor movement, universities, and the Department of Labor in the development and implementation of labor programs.

AID police training activities were consolidated in the Training Division of the Office of Public Safety. A major aspect of this consolidation was the relocation of the Inter-American Police Academy from Panama to Washington

and its merger with the International Police Academy. The merger resulted in a reduction of 33 employees, an improvement in the quality of the training offered, and an increase in the number of foreign police trained under AID auspices at no rise in cost. In fiscal year 1963, it cost \$2.6 million to train approximately 600 participants. It is estimated that 1,000 can be trained for the same cost in fiscal year 1965.

AID's central office of international training was modernized and new training concepts and approaches were adopted. The responsibility of this office is to plan, arrange, and oversee the training of more than 6,000 foreign personnel who come to the United States each year under AID programs. This reorganization will improve relationships with other U.S. agencies and institutions assisting in AID's training programs. More attention will be given to the individual training needs of each participant and to social, cultural and environmental problems of participant adjustment to life and learning in the United States.

Sixth. AID has also made many improvements in the area of personnel and manpower management.

During fiscal year 1964, AID significantly reduced direct-hire employment. Total employment declined during this period from 16,782 to 15,642, a decrease of nearly 7 percent. Further reductions are being made through improved operating procedures and continued improvements in job performance. AID has increased attention to the professional improvement of its staff, setting high performance standards, rewarding competence, and weeding out ineffective employees.

Following a comprehensive review of its manpower practices, AID has changed its basic approach to managing its manpower resources. Changes include:

An improved manpower programing system that produces more accurate and detailed forecasts of immediate and long-range manpower needs;

Tighter controls on the employment of personnel, along with techniques to reduce or stabilize the level of permanent employment; and

Automated manpower reporting techniques which produce more accurate and timely agency manpower reports.

To increase the effectiveness of its operation, AID is requesting authority which will make it possible over a period of time to increase the interchangeability of Washington and field personnel. This would be accomplished by increasing rotational assignments of Foreign Service Reserve officers and by increasing the number of officers initially assigned to Washington whose appointments would be in the Foreign Service Reserve. In time, the proposed change would increase substantially the number of officers with both overseas and Washington experience.

The AID automatic data processing system is being augmented to include an inventory of skills and language abilities of AID employees. This will greatly facilitate the task of identifying employees who have the particular position. Other AID innovations in financial man-

agement includes the consolidation and centralization of overseas audit offices for several country groupings, automatic payroll mechanization, and several program cost-reduction actions.

Seventh. The following are some examples of reduced operating costs by AID, which have resulted in substantial savings:

The AID mission in Laos saved an estimated \$106,808 by rescheduling its use of air service for airlift of cargo and air travel of personnel within Laos.

A recent review of periodical Agency publications resulted in discontinuing a number of them, reducing them in size or eliminating unnecessary features such as color printing. As a result, AID printing costs have been reduced an estimated \$220,000 a year.

A new procedure for the substitution of letters or memorandums for routine or transmittal-type airmails has eliminated some 1,500,000 reproduced copies from headquarters traffic at an annual net saving of \$29,000. In addition, economies in recipient office, through the decrease in paperwork, are conservatively estimated at \$75,000 annually.

Efforts to encourage cooperating countries to assume certain economic development costs previously financed by the United States, such as travel and other costs of participant trainees, and costs of the transportation of program commodities within the country, are also resulting in substantial savings. In three aid-receiving countries, first-quarter fiscal year 1965 savings totaled \$218,646.

AID procurement policies have resulted in still further economies:

As a result of AID's efforts to assist in disposing of U.S. excess stockpile material, GSA sold a total of \$17.8 million in fiscal year 1964 for use in foreign assistance programs. In the first 5 months of fiscal year 1965, these sales totaled \$6.9 million.

Consolidated buying, during the slack production season, of DDT for the malaria eradication program produced savings of \$1,737,000 in fiscal year 1964. Continuation of this practice has already saved \$482,500 during the current fiscal year.

During fiscal year 1964, in lieu of procuring new equipment, AID acquired U.S. Government-owned excess property for use in its foreign assistance programs having an original acquisition value of \$36.1 million. The cost to AID, including rehabilitation, storage, handling, and inland transportation, amounted to \$4.1 million. AID will continue to stress the maximum use of excess property in its program during the coming year.

Mr. Speaker, these are some of the ways in which David Bell and AID are carrying out President Johnson's mandate for more economy and efficiency in government.

I strongly believe that this sort of dedication to responsibility and frugality deserves our continued support.

NEW YORK CITY IN CRISIS—PART CXXII

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

from New York [Mr. MULTER] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. MULTER. Mr. Speaker, I commend to the attention of our colleagues the following article about the poverty program in New York.

The article appeared in the New York Herald Tribune of May 9, 1965, and is part of the series on "New York City in Crisis."

The article follows:

NEW YORK CITY IN CRISIS—MAYOR'S POVERTY PROGRAM: JAVITS' AIDS SET UP A NEW HURDLE

(By Barrett McGurn)

Mayor Wagner's plans to get an \$18 million antipoverty program underway run into more heavy weather yesterday as Senator JACOB K. JAVITS' minority staff on the Senate Labor and Public Welfare Committee published a sharply critical report.

The Republican committee members' staff said the mayor has largely ignored neighborhood organizations, provoking needless resentment and hostility. It also objected that State authorities, such as Governor Rockefeller, have been kept in the dark about city hall's antipoverty plans, and that the federally required 30 days for State review of the city program will not be enough for a proper appraisal.

The committee staff said the rules of Sargent Shriver's Office of Economic Opportunity, which administers the antipoverty program, should be modified to consultation with neighborhood groups after Mayor Wagner makes his intentions known. It also called for some system of regular notification to the State government.

The report was drawn up at the request of Senator JAVITS after West Side Representative WILLIAM FITTS RYAN, a potential Democratic candidate for mayor; Harlem Representative ADAM CLAYTON POWELL, chairman of the House Education and Labor Committee, and various neighborhood organizations protested that Mayor Wagner is setting up a city-controlled machine to control the distribution of Federal poverty funds.

Senator JAVITS said he did not necessarily subscribe to each comment of his staff, but added, "I do believe they underscore the serious need for action by Congress and the Office of Economic Opportunity to insure that the Federal Government is able to prevent a city from derailing the main objectives of the antipoverty program."

The minority staff offered two examples it regarded as bad city hall handling of the important poverty correction program:

The mayor's antipoverty operations board, composed of 11 city officials, a year ago gave \$225,000 to youth in action, which had been set up by the Central Brooklyn Coordinating Council, a federation of 70 organizations of the Bedford-Stuyvesant section of Brooklyn.

Youth in action was encouraged by the city board to concoct ideas for an antipoverty program, but suddenly, 2 months ago, City Council President Paul R. Screvane, the chairman of the board, announced that a community progress center of his own devising would take over and that youth in action would be permitted to continue merely in a supplementary role.

The result in the already seething Bedford-Stuyvesant neighborhood, according to the Republican staff workers, has been a wave of resentment and a series of mass meetings aimed at opposing the antipoverty program as one more politically motivated maneuver of the powers that be.

The city's other blooper, according to the committee aids, concerned the Puerto Rican Forum, an 80-member organization representing a wide stratum of Puerto Rican groups throughout the five boroughs. They, too, received an operation board grant: \$70,000 through last November and then month-by-month grants of \$10,000 through January.

The idea was to have the Puerto Rican group come up with a self-help program, so it suggested 33 projects, but in February Mr. Screvane announced that the group no longer would be considered the umbrella for the Puerto Rican of New York, and that only 3 of the 33 ideas would be put into effect.

"Again," said the Republican aids, "a city-recognized and funded indigenous planning effort was abruptly repudiated."

The report was signed by Stephen Kurzman, minority counsel; Roy H. Millenson, minority clerk, and Frank Cummings, minority labor counsel. Mr. JAVITS forwarded the statement to Senator PAT V. McNAMARA, Democrat, of Michigan, chairman of the Special Poverty Subcommittee of the Labor and Welfare Committee.

NEW YORK CITY IN CRISIS—PART CXXIII

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

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

There was no objection.

Mr. MULTER. Mr. Speaker, I commend to the attention of our colleagues the following article on New York's antipoverty program which appeared in the New York Herald Tribune on May 10, 1965.

The article is part of the series on "New York City in Crisis," and follows:

NEW YORK CITY IN CRISIS—NEW YORK'S ANTI-POVERTY PROGRAM: PUBLIC FUNDS AND POWER POLITICS

(By Barry Gottehrer and Alfonso Narvaez)

(NOTE.—The poverty program was created to help the impoverished citizens but, in New York City, redtape, indecision, politics, and mismanagement have hamstrung the program and kept it from reaching the vast majority of people it was designed to help. Here in the first of a series of articles, a team of "New York City in Crisis" reporters takes a look behind a stormy Harlem poverty program.)

This is the story of a poverty program—a poverty program in trouble.

Its name is Haryou-ACT and, from its offices in Harlem, it holds the key to the costly struggle between Mayor Wagner and Representative ADAM CLAYTON POWELL over who is to control the poverty program in New York City.

Reportedly controlled by the mercurial Congressman through Livingston Wingate, a former aid, Haryou-ACT has been beset by dissension from within and criticism from without since its formation last June.

Yet at no time have the charges and criticism against the administration of the multimillion-dollar, publicly financed program been as widespread as they have during the past 8 weeks.

These charges—coming from some staff members and directors, former employees and residents of the troubled area the program has been created to help—have included political control, padded payrolls, slipshod recordkeeping, shortages in inventory, little progress and mismanagement.

Six weeks ago, when the Herald Tribune first interviewed Mr. Wingate about these charges, he said, "I'll show you our books, our records and the reason for any appointees. But, damn it, don't just print the accusations and backroom whispers you hear all over."

The Herald Tribune did not print these accusations and, despite other discussions and promises to produce these records, he has still not produced them.

Last week, the Herald Tribune asked the city administration and all Federal agencies involved in funding this program for a ruling on whether Haryou-ACT's records were "in the public domain" or if the availability of records detailing the expense of public funds does not apply to the poverty program?

Though the Herald Tribune has still not received an answer from the city administration or the Federal agencies involved, a team of reporters has learned that:

At least five members of the nonsalaried board of directors of nonprofit Haryou-ACT have been receiving consulting fees from the program's funds.

Though this practice is legal according to the program's papers of incorporation, Federal, city and State officials expressed surprise that the clause was permitted to remain in the contract.

"It's the first I've heard of that," said City Council President Paul Screvane, who is also head of the city's poverty program. "I don't have the facts before me but I certainly could see how people might be critical of the practice as potentially leading to conflict of interest."

Though Mr. Wingate refused to identify the board members receiving consulting fees or say how much each has received, he defended the practice.

"We're supposed to be working with people from our community," he said, "and these people are the best in our community—specialists in their areas."

Dr. Lonnie MacDonald, a member of the Haryou-ACT board and slated to be the program director of the project's narcotics institute, defended the practice last week but only when specialists were involved.

He said, however, that in certain cases—such as in handling insurance and legal matters—the question of conflict of interest could arise.

According to Robert Cooper, who got the job as executive director at ACT when Mr. Wingate moved over to Haryou-ACT, two board members are receiving fees for handling insurance and legal matters for the program.

At least one staffer, receiving \$7,000 a year as a teacher at Haryou-ACT, has also received consulting fees from ACT.

According to people both inside and outside the program, this practice is not limited to one person at Haryou-ACT.

A major revolt is brewing at ACT, which threatens the future of the Domestic Peace Corps, the preemployment training program and Adult Volunteer Service Corps. At least one staffer said he would be willing to testify before a congressional committee about mismanagement and padded payrolls.

TAKEOVER REPORTED

Another top staffer reportedly has seen a copy of a memo signed by Mr. Wingate outlining a plan for the phasing out of ACT and a complete takeover by the Haryou executive director and those loyal to him.

Mr. Wingate has denied the existence of this memo and dismisses these charges as complaints of people he hasn't given raises to.

Not all the charges come from salaried staff members, however. One member of the ACT board, which he says Mr. Wingate and/or Representative POWELL still controls, claims that Mr. Wingate has badly mismanaged

ACT during his 3 years as head of the program with more than half of the \$1.5 million received spent on salaries.

This director charges that the project has been delinquent in paying its withholding taxes and that funds, which the city has allocated for ACT, have been spent by Haryou-ACT without the knowledge or approval of the ACT board.

Under Mr. Wingate, who was a \$17,500-a-year assistant to Representative POWELL and now receives \$25,000 from Haryou-ACT, there was virtually no recordkeeping of personnel and youngsters involved in the program.

When a reporter persisted in seeing forms telling something of the background of youths involved in the program a few months ago, he was put off until the ACT staff hastily put together a new form containing the information he had requested.

A spot check of three names—all youngsters involved in the program—showed that there were no cards for any of these youths.

To this day—at ACT and at Haryou-ACT—both working with at least a percentage of problem youth—there is still virtually no system of determining and cataloging exactly what the problems are before the youths are placed in one program or another.

For those loyal to Mr. Wingate, salaries have risen sharply in the year since he has moved from ACT to running the entire multimillion-dollar program.

PERSONAL LOYALTY

Some of the increases as of mid-February, the latest data available: Lawrence Houston, \$8,000 to \$15,000; Olivia Frost, \$8,500 to \$12,500; Julian Euell, \$8,000 to \$15,000; James Jones, \$8,100 to \$13,500; and W. R. Henrik Smit, \$8,000 to \$11,000.

"Increases like that," said one critic of Haryou-ACT's current administration, "are likely to keep a person loyal to anybody's poverty program."

Former associates and employees of Representative POWELL, increasingly since Mr. Wingate moved into full control of the program, have been added to the payroll—as full-time staffers and as consultants.

These include Wingate himself, John Young, Waldo Parrish, G. Donald Covington, and the Mitchell Detective Agency.

ACT pays \$49,000 in rent a year for its headquarters at 179 W. 137th Street. The owner of the building, the Abyssinian Baptist Church, whose pastor is ADAM CLAYTON POWELL and whose father founded it.

Some programs have been delayed in getting started even though the money has been allocated, some personnel employed, and some equipment purchased.

At least one has been a total washout.

This is the business enterprise program which, as of February payroll records, had a \$12,000 a year consultant, three coffeeshop advisers (one at \$8,000 a year and two at \$6,000) and a coffeeshop manager at \$6,000.

The concept of this program was to have a group of youngsters run and administer a series of coffeeshops under the close supervision of adults.

DRUG, SEX HANGOUT

The first coffee shop—at 133d Street and 8th Avenue—was opened in October of 1963—after a reported expense of "thousands of dollars" to fix it up.

By mid-April, the one coffee shop, which had received considerable publicity when it was opened, was quietly shut down.

Why?

Mr. Wingate said he "padlocked" it himself but won't say why. "We learned from our mistakes and won't make them again when it reopens," he said.

Neighborhood residents were a little more candid. They say that the coffee shop had become a drug and sex hangout.

Haryou-ACT, which committed only \$1.5 million of a total of \$3,159,000 allocated in

its first 10 months, has recently decided to push full speed ahead with two major projects—even though the major funding for them is still under consideration in Washington and city hall.

These two programs are the neighborhood boards, for which Haryou-ACT already has \$248,000, and the Narcotics Institute, for which it has received no money.

The Haryou-ACT request for \$1.5 million in community-action funds was sent to the Office of Economic Opportunity back in March as part of the city's overall \$10.5 million request.

Action on the city's request has been delayed while the city administration tries to come up with a compromise solution as to who will run the program.

Action on the Haryou-ACT request, however, has been additionally delayed because Mr. Wingate and his board had not sent complete details for the program in its original outline. Though an OEO spokesman says the request is still under study—and may still not win his office's approval—Mr. Wingate has predicted that the five neighborhood boards would be in operation by the end of May.

If they aren't, he has implied, it is not his fault. It's up to the city and Washington to provide the funds.

The Narcotics Institute is an even more glaring example of Haryou-ACT's decision to try and force both the city and OEO into approving its programs—or else.

Part of "Youth in the Ghetto," Dr. Kenneth Clark's mammoth study of troubled Harlem which has served as the basis for the program, the Narcotics Institute was listed in Haryou-ACT's budget statement of March 31 as "recommended from budget reallocation."

According to city officials, however, this request for a reallocation to get the Narcotics Institute started had still not arrived by last weekend.

Though city council president Screvane has asked all Federal agencies to defer action on narcotics proposals for the city until the administration comes up with its own city-wide proposal, Haryou-ACT 2 weeks ago decided to ask OEO for an additional \$1.5 million to set up the institute.

Finally, late last week, without telling city hall or OEO of his plans, Mr. Wingate held a press conference at which he announced the plan for the Narcotics Institute to be operational within 30 days.

Until he received funds from OEO, he said he would use \$125,000 in funds allocated for other programs to get the institute started.

This reallocation must still be cleared by Mr. Screvane, who last week said, "We have approved no narcotics program for Haryou-ACT."

A BASIC POINT

In placing both the city administration and OEO into positions where they must approve the programs or face charges of depriving the people of Harlem, Haryou-ACT has overlooked one basic point.

Under title 2—under which Haryou-ACT has requested funds for the Institute—OEO generally puts up only 90 percent. Even if the Federal office approves the plan, Haryou-ACT will undoubtedly still have to look to the city administration for the other 10 percent.

A preliminary audit of Haryou-ACT by Federal officials reportedly has turned up incidents of mismanagement and faulty record-keeping, but has given the impression that the administration may be improving. It is understood that Federal officials and city people both are waiting for a report from the Price Waterhouse accounting firm, which has been recently employed to audit Haryou-ACT's books on a continuing basis, before deciding on their next move.

The city administration, which has been losing in its struggle with Representative

POWELL over who should administer the poverty program, doesn't know what to do about Haryou-ACT and the charges of problems in Harlem.

But last week, however, the concern had reached the confidential memo stage.

MISMANAGEMENT

A memo, which reportedly was circulated among top city poverty officials, read in part:

Haryou-ACT's neighborhood board "work program and budget submitted as part of the community action program application is presently quite inadequate. Our staff reveals major deficiencies. * * * In addition the OEO has indicated dissatisfaction with the work program and budget and will request substantial revision. * * *

"Haryou-ACT has failed, after repeated requested extensions over more than 3 months, to submit budget requirements for city funds for fiscal year 1966.

"No progress reports as required by item * * * of the contract have been submitted.

"Continuing charges are made of mismanagement, payment of questionable stipends to youth, the lack of sufficient supervision over activities * * *

"There is need for clarification of policy about board members serving as per diem consultants, this practice by Haryou-ACT sets a precedent for all other groups similarly funded."

The tragedy of the current criticism and charges swirling around the Earlem project is that the program must succeed—for the people of Harlem and for the people of New York.

Even in its 10 months of internal battles and mismanagement, the program has shown what it could—and must—do for the troubled youth of the ghetto.

Now—bogged down by its own failures, its decision to fight the city administration and try to pressure OEO and its failure to act immediately to refute the charges if they are untrue—Haryou-ACT is in serious trouble.

"Whose side are you on?" Mr. Wingate asked a Herald Tribune reporter in Washington as Representative POWELL and Mr. Screvane clashed over the city's poverty program. "Ours or theirs?"

It is a question that the inaction from city hall and the questionable action from Haryou-ACT have made extremely difficult—but vitally important—to answer.

POVERTY WAR DRAMATIS PERSONAE

ADAM CLAYTON POWELL: Allegedly in control of Haryou-ACT, the controversial central Harlem poverty project. * * * The mercurial Congressman has been using his chairmanship of the House Education and Labor Committee as his chief weapon in his struggle with city hall and the Office of Economic Opportunity. * * * Wants assurances that he, not city hall, will control Harlem's poverty program. * * * Has threatened to hamstring the \$1.5 billion Federal poverty bill, which his committee is now studying. * * * Other members of his committee indicate, however, that they will go along with Sargent Shriver, not POWELL, when they meet on bill this week. * * * POWELL's other weapon: the threat that he will attack Shriver, city hall as anti-Negro.

Livingston Wingate: Former aid to POWELL and beneficiary of POWELL's victory over Dr. Kenneth Clark in the struggle to control Haryou-ACT. * * * A lawyer, pipe-smoking Wingate today sits confidently atop potentially explosive Haryou-ACT's throne. * * * Says he is his own man, not POWELL's; others disagree. * * * But he and POWELL agree on at least one thing: city hall will not be allowed to get its hands on Haryou-ACT. * * * His solution, rushing full-speed ahead with programs that have not yet been approved, hoping to force city hall, Shriver's office into having to approve them. * * *

Charges against his administration remain unanswered.

Sargent Shriver: The key man in the poverty struggle whose \$1.5 billion request is now in the hands of POWELL's committee. * * * Though he denies it, city hall says he gave go-ahead to Mayor Wagner's city-controlled poverty corporation, then backed off when POWELL, Wingate, New York community leaders exploded against the plan. * * * Has resisted being pressured into approving city's \$10.5 million community-action request until city setup, Haryou program receive his office's final approval. * * * Haryou's plan to push ahead with its program without waiting for OEO's decision, rumors about trouble behind the project's doors, and threat of anti-Negro outburst from POWELL, Wingate present major problems for Shriver.

Mayor Robert Wagner: Already under attack from civil rights groups, he had counted on quick Federal approval of the city's \$10.5 million community action request to show the people of Harlem, Bedford-Stuyvesant and other poverty centers of city that he was interested in helping them to help themselves. * * * Now, with Shriver's office awaiting his decision to give up total control of the corporation or further delay funding the mayor must come up with an answer quickly. * * * An open fight with POWELL, Wingate is last thing he wants now. * * * Reportedly considering giving Haryou-ACT free hand in exchange for city control of program elsewhere. * * * Big fear in election year is possibility of another long, hot summer in Harlem, leaving him open to attack for delaying poverty program.

Paul Screvane: City council president and head of the city's antipoverty program, reportedly wants to be mayor after Wagner. * * * Poverty Corporation, which he'd head, ultimately would have 16 poverty centers, providing unusual opportunity to set up a widespread patronage machine. * * * Convinced city must retain strong control over where, how its money is spent. * * * Feels OEO buckled under pressure, first approving 11-6 formula for city control of corporation, then saying city hall must give indigenous poor, community leaders greater powers. * * * Says he offered to turn entire poverty program over to voluntary and sectarian community organizations last week but they refused. * * * Heard reports about possible trouble at Haryou-ACT but, after playing heavy in investigation at Mobilization for Youth, has chosen to stay out of this one.

Dr. Kenneth Clark: professor of psychology at City College whose work was cited in the 1954 school desegregation decision. * * * "Father" of 614-page research document, "Youth in the Ghetto," considered to be a masterful documentation of poverty in Harlem. * * * Former director of Haryou but lost out in struggle for control of Harlem antipoverty program. * * * His reported fight with Congressman POWELL for control ended with the naming of Livingston Wingate as executive director of Haryou-ACT. * * * A merger of Haryou with the Associated Community Teams, which Representative POWELL reportedly controlled. * * * Has plans for his own poverty program for selected young people in Harlem.

Rev. Dr. David W. Barry: Executive director of the New York City Mission Society, a nondenominational missionary organization that concentrates its efforts in "difficult" urban areas. * * * Assistant treasurer and member of the board of Haryou-ACT. * * * An outspoken critic of "secrecy" concerning city's poverty proposals. * * * Favors greater participation by poor in design, review, and carrying out of poverty programs. * * * Sees Economic Opportunity Act as just a more "sophisticated brand of welfare" unless this is done. * * * Has never seen the "hand of Congressman" POWELL in any of Haryou-ACT's programs or policies. * * * Feels that Haryou-ACT

is doing a good job and that charges of wrongdoing are "nonsense."

Anne Roberts: Staff director of the city's antipoverty operations board, she receives \$22,500 a year, has been caught in the middle in most of the battles raging around the city's war against poverty. * * * Her office did big job in March in finishing city's mammoth \$10.5 million request to OEO including outline for poverty centers since has seen program become a political football. * * * City hall refers most press questions about program to her office, rarely provides her with necessary answers. * * * Also has heard about rumors of trouble at Haryou-ACT but lacks authority, desire to do anything about them.

OUR GOAL IN VIETNAM: LAW AND ORDER THROUGH SELF-GOVERNMENT

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

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

There was no objection.

Mr. MULTER. Mr. Speaker, through all the smoke created by the small fires built by the administration's critics one thing can still be seen: we must not let the Communists win in Vietnam.

Support for this policy is stated very succinctly in the following editorial from the June 24, 1965, edition of the New York Journal American and the June 20, 1965, editorial broadcast by station WMAL here in Washington:

[From the New York Journal American, June 24, 1965]

THE PROFS

The TV debate in which Presidential assistant McGeorge Bundy upheld President Johnson's Vietnam policy against three academic critics had one heartening aspect.

The critics, headed by Prof. Hans Morgenthau, of Chicago University, took the line in general that the United States had no business being in Vietnam and ought to clear out. There was nothing startlingly new about that. It is the line followed in those slanted "teach-ins."

What was encouraging was the appearance of another professor in support of the Johnson policy. He is Zbigniew Brzezinski, director of the Research Institute on Communist Affairs at Columbia University—in brief, an expert.

He made the point that the Vietnam war was not just a local issue but one of far-reaching consequences to the stability of the world and inside the Communist world.

He went on to say that unless the United States resisted communism in Vietnam effectively, Communist China would win the argument with the Soviet Union about the best way to proceed against the Western World, and would foment further trouble throughout the world.

Applause from here, professor.

VIETNAM

(An editorial broadcast by WMAL, Washington, D.C., June 20, 1965)

What started as a small-scale military advisory unit in South Vietnam has grown into a full-scale military operation. In an area a little larger than Florida, we are now firmly committed to a war that must be won.

Some people apparently are still confused about our basic policy in southeast Asia.

The President has frequently stated that our goal in Vietnam is to help establish law and order through self-government without Communist intervention. The goal is simple and easy to understand. Unfortunately, it is very difficult to achieve. However, it can be reached if everyone pulls together and supports the President's policy in Vietnam.

MINING INDUSTRY EXECUTIVE EXAMINES NEED FOR A NATIONAL MINERALS POLICY

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

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

There was no objection.

Mr. ASPINALL. Mr. Speaker, from time to time I have discussed before this body the need for a national minerals policy and the need for specific policies with regard to specific minerals. Today I would like to bring to the attention of the Members of the House of Representatives the remarks on this subject that were made by one of the outstanding leaders of the mining industry in the United States.

Speaking before the Central Appalachian Section of the American Institute of Mining, Metallurgical, and Petroleum Engineers at Abingdon, Va., June 18, 1965, Lindsay F. Johnson, vice president of the New Jersey Zinc Co., made a very perceptive analysis of the current situation.

Under leave previously granted, I include the text of his remarks at this point in the RECORD and urge all Members to read it:

GOVERNMENT POLICIES AS RELATED TO THE U.S. MINING INDUSTRY

(Talk given by Lindsey F. Johnson, vice president, the New Jersey Zinc Co., before the Central Appalachian Section of the American Institute of Mining, Metallurgical, and Petroleum Engineers, at Abingdon, Va., June 18, 1965)

The advertised subject for discussion today is "Government Policies as Related to the U.S. Mining Industry."

I am sure you all realize the impossibility of even beginning to attack that subject in any specific detail in the 15 or 20 minutes available to us at this time. So, I am going to have to discuss it in broad rather than specific terms.

And rather than dealing with any particular matter of policy or any particular segment of U.S. mining, I would like to talk more generally about the nature and character of Government policy as it relates to your chosen field of endeavor.

Before I proceed further permit me to dwell for a moment on a matter of definition and possibly a question of semantics. The words I wish to deal with are, first, "policy," and second, "position."

I believe it will be accepted that when we speak of a policy, as, for example, a Government policy, generally we envision something that has been reached and consolidated after careful study and a weighing of all the factors bearing on the subject, past, present, and future, insofar as they can be seen. A policy, whether one agrees or disagrees with it, is not something to be taken lightly, nor is it something that one believes

is easily subject to change. There seems to be a certain permanence to policy.

On the other hand, when we speak of a position, as, for example, the Government position, we do not necessarily envision something with the same degree of solidity or permanence as policy. Positions are sometimes taken without benefit of thorough study and analysis. Positions are often subject to change. We know that even the Government changes its position frequently from day to day.

Accordingly, I will refer mostly to the Government's position in relation to U.S. mining, rather than the Government's policy, because I do not believe the Government as a whole has a well-studied and well-conceived program that warrants the classification of policy with respect to mining. Furthermore, I have a fervent hope that the Government's position can and will be changed.

It is my hope that I can leave with you today an awareness that the Government's policy, or rather the Government's position, covers the U.S. mining industry like a blanket, an awareness that impact on your industry can originate from quite unsuspected sources within the Government, an awareness that, unfortunately, as we see it today, the Government position fails fully to recognize inherent economic and technical problems of your industry.

It is my further hope that growing from that awareness there will be a desire on your part to learn more about these Government positions and to seek a place of influence in bringing to bear on the policymakers or position takers more of the facts of life as you see them from your knowledgeable position.

I think there can be only agreement with the principle that the rise of the United States as a nation to its position of eminence in technical, economic, and political matters in a relatively short span of a couple hundred years has been due to a foundation of abundant natural resources and the will and skill to find, develop, recover, and utilize them.

For many, many decades in the early history of our Nation the will to undertake the financial and physical risks of finding and recovering minerals was stimulated by the need for them in a growing economy.

Such Government policy as evolved in this period seems to have supported the idea that it was best for our needs to be supplied by winning natural resources within our own borders and that it was in the national interest to encourage such winning as a profitable and important segment of our national economy.

We find in these modern times, however, a greatly different and, to my mind, alarming philosophy that appears to guide Government policy or positions.

If one examines in detail the current Government position with respect to such matters as accessibility of public lands for mineral exploration and development, Government stockpiles of metals, a trend toward free trade by elimination of tariffs and quotas heretofore considered necessary and desirable, an apparent willingness to desert domestic sources for a reckless dependence on foreign sources for vital raw materials, the conclusion must be that Government policy today at best merely tolerates domestic mining; it does not seem to accept it as a vital part of our national economy that should be encouraged to stability and stimulated to further growth.

These are harsh and disappointing conclusions, and we must ask ourselves why they should have to be made.

This in turn requires us to look to those who make the policies or take the positions, or fail to make policies or take positions, and in the motivations that are involved.

As in the case of Government policy on most matters, policy or positions with respect to the U.S. mining industry originate or are consolidated mostly within the executive branch of the Government. Importantly, however, policy can be, and continually is, expressed by the Congress, and we can be mightily thankful for that. Otherwise, we would be completely submerged by bureaucracy, and it is well known that even the Congress sometimes has difficulty penetrating the doctrinaire positions that have become a way of life in some departments of the executive branch. But more later on that and the current efforts of the Congress in this regard.

When we come to appraise the executive departments that have to do with positions related to domestic mining, oddly enough we have to look at the State Department first. One may well ask, "What does the State Department have to do with mining in the United States?"

Much of the answer lies in the fact that overall mineral needs of the United States involve not only supplies from domestic sources but supplies from abroad. Of some things we have none; for example, tin. Of some we have part of what we need; for example, lead and zinc. Of few do we have all we need, but there are some; for example, coal. Because of numerous factors concerning relative grades of ore, relative labor costs, and various types of control and assistance by foreign governments, it has in the past been considered necessary and desirable to provide certain types of moderate import controls to compensate the advantages that thus accrue to foreign producers over U.S. miners.

The State Department is in a position to view the mineral needs of the United States as part of a game on a great international chessboard. They make it entirely clear that they wish to have a pretty free hand to negotiate, to trade, to concede, to give away, or to do anything that seems to best fit foreign policy of the moment, and we have had it made pretty clear to us on some occasions that the interests of domestic mining are wholly secondary.

Since the State Department is strongly represented and highly influential on many interagency committees that advise the President, its philosophies carry through to the fixing of Government policies or positions, and those philosophies do not generally favor measures that are advocated by the industry or by the Congress as essential to maintenance of healthy and stable conditions in mining industries. The reason generally is that such measures would restrict the ability of the State Department to bargain in the international scene in any way it sees fit, regardless of the effect on domestic enterprises.

Next, we come to an appraisal of the attitude and position of the Department of the Interior with respect to the U.S. mining industry.

It has always been my thought, and I believe it is shared by many others, that Interior is the department of government that generally has stewardship of the Nation's natural resources. By stewardship, I mean an overall responsibility for cooperating with private enterprise to the end that the Nation's natural resources are wisely extracted and used and that conditions are such that our natural resources can be developed and be abundantly available to the Nation's consuming industries in preference to dependence upon supplies from foreign sources.

I believe at this point it must be apparent to you that I am about to be critical of some of the positions of the Department of the Interior, and that is quite correct. Before doing so, however, let me say that I do not want there to be any misunderstanding about my position with respect to the Bureau of Mines, which is but a part of the Department

of the Interior, performing specific functions and services—and in my judgment the Bureau does a fine job in this regard. Fortunately, it does not become involved to any great extent in broad policy matters with which the Department concerns itself. These comments apply likewise to many other branches of Government departments having to do with mining, whose primary functions are in specific technical fields and do not usually involve the broader economic and political considerations.

With respect to Interior, it has always seemed reasonable to assume that if the mining industry were to have an advocate to stand up for it in intergovernmental circles, it naturally would be Interior. But somehow it does not seem to work out that way. Generally, it seems that those concerned with the mining industries in the United States find Interior disagreeing with them far more than agreeing. They find Interior in active opposition to proposals made by the industry and by the Congress for promoting conditions required for long-range stability in mining and conditions that will encourage further investment in development of natural resources. The record is full of such opposition.

Interior does carry weight in the intergovernmental committees that have to do with establishment of positions. It is perhaps wholly unfair to imply that Interior never stands up for long-range welfare of mining. It undoubtedly does on occasion. It is apparent, however, that Interior seems to succumb rather easily to the more dominating positions taken by others in the executive circle, such as the State Department, and even though it is fully aware of the problems encountered by some segments of the mining industry with respect to foreign competition, as one example, Interior is inclined to prefer the route of temporary palliatives rather than promoting and supporting measures that will get at the long-range needs of U.S. mining industries.

Other Departments, such as, Treasury, Commerce, and Labor, also participate in intergovernmental policy groups concerned with matters affecting domestic mining, such as, import controls, but apparently not with the same force and effect as State, nor with the basic interest and responsibility that should be carried by Interior. Even the Department of Agriculture gets into the act determining positions and policy, not so much by design but by actions. This Department has the power to barter agricultural products for metals, and often we find ourselves in the position of seeing the Department adding to surplus supplies of metals by putting into our stockpiles metals produced in foreign countries.

In these circumstances, it is not surprising that no effective long-range minerals policy has been forthcoming from the executive branch of the Government, because our Chief Executive must rely on these various departments for advice, and it is apparent that none of them, for various reasons have the will or inclination to come forth with a constructive policy.

Now to return to the Congress and its position with respect to the need for strong and healthy mining industries. Here the mining industries have many friends, who have a great appreciation of the necessity of constructive development and maintenance of mining in the United States in order not only to contribute importantly to the Nation's economy but also to provide and maintain a mobilization base for emergency.

The interest of the Congress in establishment of a long-range progressive U.S. minerals policy is not new. There are many in both Houses of the Congress and in both major parties who have been with the problem for years. But as I mentioned earlier, they, too, have much difficulty in penetrating bureaucracy.

As long ago as 1959 both Houses of the 86th Congress overwhelmingly adopted House Concurrent Resolution 177 in which it was declared that the sense of the Congress was that "the maintenance and development of a sound and stable minerals industry, without critical dependence upon foreign sources, is essential to the national security and the welfare of the consuming public." Among other things, the resolution also states that the national interest requires the discovery and development of additional domestic mineral resources and also more research to permit better utilization of them.

This resolution, in effect, called upon the executive branch of the Government to establish and actively to effectuate a long-range minerals policy that would meet the sense of the Congress as expressed in the resolution.

That was 5 long years ago; and what has been the response?

Let me not be the one to give you the answer, but permit me to turn to one most highly competent to answer, the Honorable WAYNE N. ASPINALL, chairman of the House Committee on Interior and Insular Affairs. The mining industry has no better friend. Speaking to that question before the Colorado plateau section of the AIME at Denver last month, he said:

"We have enacted legislation to encourage exploration for and discovery of new sources of minerals, and a program under the direction of the Secretary of the Interior has been established. We have provided funds for expanded research and we have created a new Office of Coal Research. But, we have not accomplished anything of a concrete nature toward the maintenance and development of a stronger domestic mining industry generally. If anything, the climate has tended to be one that would discourage such action."

Despite that somewhat gloomy answer, I can assure you that WAYNE ASPINALL is not disheartened. He and his many colleagues in the Congress will continue to press for a policy and action on it.

I ask you, please, not to count me as an alarmist because I am critical of the executive departments. And I do not mean to discount the ability of any with whom we deal in those departments; they are highly competent men, and I have a high regard for them. Their only trouble is that they just think differently than people in the mining industries.

And we have confidence, as do our friends in the Congress, that eventually we will change their thinking. Otherwise we would have quit long ago. We also have confidence that our Chief Executive shares our beliefs regarding the need for strong and healthy mining industries, for he so often so expressed himself when he was the distinguished leader of the Senate—and that in due course his beliefs will be reflected in a changed attitude among the several administrative departments.

Now, the question is, What can you do, or should you do, or what must you do?

I believe we are coming closer to the establishment of a national minerals policy, and I believe that each and every one who has knowledge of and a stake in a minerals industry should have a part in establishing that policy by making his views known on the many matters that relate to the derivation of such a policy.

This you can do by establishing a corresponding relationship with your own congressional representatives. You will be surprised at the impact your interest will have on them.

Why not start by asking your Congressman to find you a copy of House Concurrent Resolution 177, and ask him if he doesn't think it is about time something constructive was done about it.

Why not ask him how he feels about the Congress relinquishing its control of stockpiles to the executive branch of the Government, as is now being proposed in certain quarters.

Why not find out how he feels about lead and zinc quotas or the relaxation of quotas on residual fuel oil.

Find out how he feels about these and any other matters that relate to the general welfare of domestic mining and to the evolution of the long-range policy. But, more importantly, be sure to let your representative know how you feel about these things. Your opinions are what will count.

The actions of the Federal Government, whether they be actions of the executive branch or of the Congress will henceforth have profound bearing on the business you are in and whether that business survives, disappears, or prospers. Believe me, it takes more than will and skill to be a miner these days. To cover all of the facets of your business today you must recognize that political considerations will have as much bearing on your future as will scientific advancement. You must keep abreast of both and neglect neither. Write papers about the science, but write your Congressman about the politics.

CONGRESS SHOULD REEXAMINE THE PRESIDENTIAL INABILITY BILL

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. GONZALEZ] may extend his remarks at this point in the Record and include extraneous matter.

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

There was no objection.

Mr. GONZALEZ. Mr. Speaker, when the Presidential inability bill, House Joint Resolution 1, was brought up on the floor of the House on April 13, 1965, I was one of the 29 Representatives who voted against it. My vote on this proposed constitutional amendment was, in my opinion, one of the most important votes that I have ever cast. Now, after 2½ months have elapsed since the bill was passed by the House, I feel even stronger in my conviction that this matter ought to be reconsidered and that it would be a serious mistake to pass the bill in its present form.

I was one of the first Members of Congress to introduce legislation on the subject of a vacancy in the office of the Vice Presidency. My bill, House Joint Resolution 893, was introduced on January 21, 1964, and I reintroduced the same bill as House Joint Resolution 53 on January 4, 1965, the first day of the 89th Congress. But the bill that was passed goes too far. My bill covered only the problem of a vacancy in the office of the Vice-Presidency. The procedure for filling this vacancy described in my bill was substantially incorporated in the one that passed.

But it was not originally intended by the proponents of an amendment to close this gap in the law that Congress also go into the area of Presidential inability. The provisions of the bill covering Presidential inability are objectionable and should not be enacted for several reasons. First, the bill provides for the transfer of executive power from the President to the Vice President in times

of Presidential inability with the President's consent or against his will. There is a vagueness in the language of this section which I believe should not be incorporated into the Constitution. For example, nowhere is the term "inability" defined. In an area as crucial and consequential as the Presidency of the United States, such a lack of definition can be disastrous. Vagueness in the language of the bill appears again in the reference to "the principal officers of the executive departments, or such other body as Congress may by law provide." No one has ever spelled out or explained to my satisfaction exactly what is meant by the phrase "such other body."

Second, and the most serious flaw in the bill, in my judgment, is the almost unchecked ease with which the President can be removed by either an unscrupulous or mistaken subordinate.

Third, is the possible confusion as to who or which administration is in charge of the Government once the mechanism of the bill goes into operation.

I understand that today, on the floor of the Senate, Senator ROBERT KENNEDY addressed himself to this problem and to the matter of the Presidential inability provisions generally. Ever since I cast my vote with the 29-man minority against this bill I have been praying that somehow the bill would be reexamined and changed before being enacted into law. I still hope and pray that it will not be enacted in its present form.

I implore the Members of this House, and especially the majority and minority leadership, to restudy this bill, to give pause before it is finally approved, and to clear up the ambiguities and vagueness which I believe now exist. I support Senator KENNEDY in his effort to slow down the wheels of Congress and to delay final passage of this bill.

CONGO INDEPENDENCE

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. GONZALEZ] may extend his remarks at this point in the Record and include extraneous matter.

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

There was no objection.

Mr. GONZALEZ. Mr. Speaker, today is the fifth anniversary of the independence of the Congo which came June 30, 1960, after 85 years of Belgian rule. It is only fitting that we pause to pay tribute to the democratic Republic of the Congo and the struggle of her people.

The Congo, which is located in the south-central part of the African Continent, and covers an area of about 904,747 square miles, was first the personal property of the Belgian King—from 1885 to 1908—and then as a Belgian colony.

Prior to 1959, when the Belgian Government decided to grant independence to the Congo, the Belgian administration concentrated on economic development and social improvement. The result was the growth of the greatest industrial concentration and the most extensive primary educational system in tropical

Africa. A class of skilled and semi-skilled workers and office personnel was developed although the vast bulk of the population remained dependent upon subsistence agriculture.

Due to this strong background the Congo was given a better than average chance compared to some other nations that have just recently been given their independence.

Similar to other newly independent nations during these last 5 years there have been many rebellions, changes in the government, and many national leaders including Patrice Lumumba, Joseph Kasavubu, and Moïse Tshombe, who was chosen as Prime Minister by President Kasavubu on July 10, 1964.

Tshombe may be the man who will play the most important role in restoring the eastern Congo.

By comparison with other African countries, the exports and the general economy of the Congo are more diversified and more developed. In short, the Congo has the highest wages and the highest literacy rate in tropical Africa, produces 8 percent of the world's copper and most of the world's cobalt and industrial diamonds, and has a vigorous and competitive agriculture.

U.S. aid given directly to the Congo, or to the United Nations for its technical assistance and peacekeeping activities in the Congo, has totaled over \$400 million through the end of fiscal year 1964. The objective of this program has been to help the Congo maintain its independence and territorial integrity while achieving economic stability and an improved administration. Given a degree of tranquillity and continued assistance while training its own cadres of qualified experts, the Congo has bright prospects of being one of the most prosperous countries in Africa.

PORTRAIT OF A DEDICATED PROFESSIONAL SOLDIER—LT. GEN. JAMES P. BERKELEY

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that the gentleman from North Carolina [Mr. HENDERSON] may extend his remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. HENDERSON. Mr. Speaker, today the Nation reluctantly releases from active military duty and returns to private life and well-deserved retirement Lt. Gen. James P. Berkeley, U.S. Marine Corps.

Lt. Gen. James Phillips Berkeley assumed his current assignment as commanding general, Fleet Marine Force, Atlantic, at Norfolk, Va., August 1, 1963, following his promotion to his present rank.

The general was born July 1, 1907, at Portsmouth, Va. He attended school at Shepherdstown, W. Va., and Severn Preparatory School. He enlisted in the Marine Corps on March 1, 1927, and served in Nicaragua from January to December 1928. After almost 3 years as

an enlisted man, he was commissioned a marine second lieutenant on January 31, 1930, at the Marine Barracks, Washington, D.C.

Lieutenant Berkeley was then ordered to the Philadelphia Navy Yard, where he served as a company officer at the Marine Barracks and completed the Basic School for Marine Corps officers in June 1931. Following graduation he served at the Norfolk Navy Yard in Virginia, before sailing for China in April 1932 for duty with the Marine detachment at the American Embassy, Peiping. He returned to the United States in December 1934, and was promoted to first lieutenant in February 1935 while serving as a battalion communications officer with the 6th Marine Regiment at San Diego, Calif.

In May 1935, Lieutenant Berkeley reported to Quantico, Va., where he headed the communications platoons of the Fleet Marine Force and the 1st Marine Brigade. Detached from Quantico in August 1936, he entered the Army Signal School at Fort Monmouth, N.J., the following month. On completing the course in June 1937, he returned to the 1st Brigade. That September he was promoted to captain.

Captain Berkeley headed the 1st Brigade's communications platoon until April 1938, then served as brigade communications officer until March 1939, when he left Quantico to take command of the Marine detachment aboard the U.S.S. *Wichita*. Returning from sea duty in June 1941, he was named communications officer of the Marine Corps Base at Quantico. He was serving in this post when World War II broke out. In January 1942 he was promoted to major.

In March 1942, Major Berkeley was ordered to Marine Corps Headquarters, Washington, D.C., to serve as assistant officer in charge of the communications section, division of plans and policies. He was promoted to lieutenant colonel in August 1942.

While attached to that section, Lieutenant Colonel Berkeley accompanied the Commandant of the Marine Corps on an inspection tour of Guadalcanal and other South Pacific areas in October and November 1942. He also made an observation tour of the United Kingdom, Africa, and Italy from August to October 1943, during which he was an observer with the 46th British Infantry Division at the Salerno landing, September 9, 1943. In November 1943 he reported to Camp Pendleton, Calif., where he commanded the field signal battalion prior to becoming signal officer of the 5th Marine Division in February 1944.

Sailing again for the Pacific area that August, Lieutenant Colonel Berkeley served as 5th Division signal officer in Hawaii and at Iwo Jima. He also served as executive officer of the 27th Marines, 5th Marine Division, at Iwo Jima in March 1945, and in Hawaii during the following 2 months. For outstanding service on Iwo Jima, he was awarded the Legion of Merit with Combat "V." In July 1945 he was named signal officer of the 5th Amphibious Corps, serving in that capacity in Ha-

wai and Japan. He was promoted to colonel the following month.

Colonel Berkeley served as officer in charge of the disposition of enemy material from October to December 1945, and as commander of the 6th Marines, 2d Marine Division, from January to March 1946. He returned from Japan in April 1946, and the following month was named Assistant to the Navy Secretary of the Joint Army-Navy Secretariat, Office of the Secretary of the Navy, Washington, D.C. He remained with that organization until January 1947.

In February 1947, Colonel Berkeley sailed for Buenos Aires to serve as Amphibious Warfare Adviser to the Argentine Naval War College and as an adviser to the Argentine Marine Corps. He returned to the United States in May 1949 and, after brief service with the Troop Training Unit, Atlantic, at Little Creek, Va., entered the Armed Forces Staff College at Norfolk in August 1949. Completing that course in January 1950, he reported the following month to the Naval War College at Newport, R.I., where he served as a staff member and later as assistant head and head of the Department of Strategy and Tactics.

Leaving Newport in May 1953, Colonel Berkeley served in Washington for the next year as commanding officer of the Marine Barracks and Director of the Marine Corps Institute. He embarked for Korea in June 1954 to become Chief of Staff of the 1st Marine Division and returned with the division to Camp Pendleton the following spring.

In July 1955, he was promoted to brigadier general and began three years' duty as Assistant Chief of Staff, G-1—Personnel—at Headquarters Marine Corps. He was promoted to major general in July 1958 on assuming duties as commanding general, Department of the Pacific, in San Francisco, Calif.

Following this assignment, General Berkeley served as commanding general, 2d Marine Division, Fleet Marine Force, at Camp Lejeune, N.C., from November 1959 until October 1961. In November 1961, he became commanding general, Marine Corps Base, Camp Lejeune, serving in this capacity until July 1963. On August 1, 1963, he assumed duty as commanding general, Fleet Marine Force, Atlantic, at Norfolk, Va., with the rank of lieutenant general.

The general's medals include: the Legion of Merit with Combat "V," the Marine Corps Good Conduct Medal, the Presidential Unit Citation, the Marine Corps Expeditionary Medal, the Second Nicaraguan Campaign Medal, the Yangtze Service Medal, the American Defense Service Medal with fleet clasp, the American Campaign Medal, the European-African-Middle Eastern Campaign Medal with one bronze star, the Asiatic-Pacific Campaign Medal with one bronze star, the World War II Victory Medal, the Navy Occupation Service Medal with Asia clasp, the National Defense Service Medal, the Korean Service Medal, the United Nations Service Medal, and the Nicaraguan Medal of Merit.

General Berkeley is married to the former Margaret L. Griffiths of Phila-

delphia, Pa. The general's parents are deceased. His father was the late Maj. Gen. Randolph C. Berkeley, U.S. Marine Corps, of Port Royal, S.C., who was awarded the Medal of Honor for heroism at Vera Cruz, Mexico, in 1914. A guided missile destroyer, the U.S.S. *Berkeley*, launched in July 1961, was named in honor of General Berkeley's father.

General Berkeley has one brother, Col. Randolph C. Berkeley, Jr., a Marine officer also.

It was during his command of the Second Marine Division and his command of Marine Corps Base, Camp Lejeune, N.C., that I came to know and admire Phil Berkeley. Not only was he a military officer of unusual skill and ability; he was also a warm, human conscientious citizen. His grasp of the problems and the peculiar situation of civilians employed on the base was most unusual and during his tour as base commander, relations between the military personnel and the civilian community were outstanding.

It was my distinct and profound pleasure during this period to enjoy with Phil Berkeley, not just the relationship of Congressman and base commander, but a warm personal friendship which continues to this day.

I wish him Godspeed in his future activities, and I envy my good friend and colleague, PORTER HARDY, JR., whom I understand will soon have General Berkeley as a permanent resident in his district at Norfolk.

LT. GEN. JAMES P. BERKELEY,
U.S. MARINE CORPS

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

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

There was no objection.

Mr. HARDY. Mr. Speaker, I want to join my good friend from North Carolina in all good wishes to General Berkeley on his retirement. General Berkeley is a native of my district and I am doubly pleased that he will continue to reside in my constituency. It has been a privilege to know him and work with him during his active-duty service and I look forward to the continuation of close personal contacts with him during the years ahead.

NATIONAL HEAD START DAY

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

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

There was no objection.

Mr. DYAL. Mr. Speaker, the President has proclaimed June 30, National Head Start Day to commemorate the

establishment of Project Head Start as a national effort in the war on poverty. The following June 20, 1965, editorial in the Sun-Telegram, San Bernardino, Calif., presents a timely analysis of Project Head Start:

AND WORTH EVERY CENT

Although many programs in the administration's grand design for the Great Society merit close and careful scrutiny, one is outstanding because it not only is feasible but also because it strikes hard at a major problem in this Nation: Illiteracy.

Operation Head Start, the preschool summer guidance program which gets underway on July 6, will cost the Federal Government approximately \$112 million in 1965—and worth every cent because 500,000 American children will benefit.

Those taxpayers who protest this expenditure are superficial thinkers. The children who will be assisted by Operation Head Start are the deprived youngsters from poverty-stricken families who have never had an opportunity to prepare themselves for the first step in a public school education. These are the boys and girls who certainly would fail in the first grade without the extra boost. For them, July 6 will be a memorable day because for the first time they will receive a helping hand as they timidly tackle the process of growing up.

Ninety percent of the children enrolled in Operation Head Start will receive their initial medical and dental examinations. Youngsters eligible for help under Operation Head Start statistically are 6 months behind children of middle-class families in the first grade. Without this program's educational help, they would be 2 years behind by the time they reached the fourth or fifth grades—destined doubtless for the meager life of a dropout.

Operation Head Start is no assembly-line babysitting enterprise. Children will receive considerable individual attention: Four adults—a teacher, an assistant teacher, a helper supplied by the Neighborhood Youth Corps and an adult volunteer—will instruct, counsel and advise each group of 20 children during their 3 to 6 hours a day at the guidance centers.

One strong fiber in Operation Head Start, we believe, is the program's objective to stimulate parental interest in the children. Volunteer counselors will work with parents to educate mothers and fathers in the ways and means of helping their youngsters by improving the home atmosphere.

No thinking American should be so miserably as to lament the cost of Operation Head Start which offers so much hope for boys and girls who have inherited the curse of poverty.

Before you criticize Operation Head Start, channel your vexation on such mad spending as the architectural outrage christened the Rayburn Office Building which cost American taxpayers \$120 million.

Operation Head Start will do more than lay important educational planks for underprivileged first-graders. It will protect the health of a half-million American children. Operation Head Start is a sound investment in the future of wonderful America. It deserves the wholehearted support of all Americans who sincerely are interested in the welfare of all the citizens of tomorrow.

PROJECT HEAD START

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

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

There was no objection.

Mr. HANSEN of Iowa. Mr. Speaker, it is a real pleasure to join with the President and Mrs. Johnson and the director of the Office of Economic Opportunity, R. Sargent Shriver in paying tribute to the Project Head Start. This is a program designed to open new vistas for our pre-school children. It is truly intended to give them a headstart toward maturity.

This commemoration of the establishment of the Head Start program is of especial interest to me, because one of the most significant projects in the Midwest is located in the Seventh Iowa District in Council Bluffs. Here the county superintendent of schools, B. G. Halvorsen, and the county board of education pioneered the program and in spite of many difficulties have made a good beginning on what I feel will prove to be highly significant.

Through the establishment of the Head Start project in Council Bluffs, Iowans are having an opportunity to be in on the ground floor of President Johnson's war against poverty. Whether or not we make a lasting contribution will not be known for some time. But through the efforts of our public school administrators, our teachers and dedicated volunteer helpers, we are participating in a creative endeavor. We are trying to light a candle instead of cursing the darkness. Children, who have been imprisoned by the chains of poverty, will now have an opportunity to reach for freedom.

Those who are deeply involved in the program may feel the importance of what they are doing, not so much by the numbers enrolled, but by the new horizons they are helping to open. My hat is off to the leaders of this program. We will be eagerly watching its progress.

ILLINOIS-INDIANA AIR POLLUTION
COMPACT

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

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

There was no objection.

Mr. YATES. Mr. Speaker, I have today introduced a bill granting the consent of Congress to the Illinois-Indiana air pollution compact. I am pleased to note that this is the first such agreement that has been presented to Congress under the provisions of the Clean Air Act of 1963. The legislatures of both States have ratified this compact, and it has been approved by Governors Otto Kerner and Roger Branigan.

I regard this decision for cooperation between Illinois and Indiana as a significant new approach to the problem of air pollution. The speed with which the two State governments acted in endorsing this compact is indicative of the

concern the States have about this problem and it also reflects their determination to do something positive about those problems.

In brief, the compact creates an Illinois-Indiana Interstate Air Pollution Commission, composed of seven commissioners from each State. It will be charged with studying the sources and effects of interstate air pollution and will make recommendations for the prevention, abatement, and control of conditions that it finds injurious to human, plant, or animal life. The commission is also empowered to establish standards for enforcement.

Mr. Speaker, Illinois and Indiana have realized that air pollution is one of this Nation's most pressing problems, and that its prevention, abatement, and control requires regional cooperation. The Clean Air Act emphasized the regional approach. It recognized that communities and States cannot always deal effectively with air pollution problems which are not limited by established jurisdictional boundaries. Therefore, the act authorized the Department of Health, Education, and Welfare to engage directly in abatement and enforcement activities, at the request of the States. The act also equipped the Federal Government to aid States and local control programs to prevent and control air pollution with research, development, and training, and grants for support of State, regional, and municipal agencies. Already, the Illinois and Indiana area has received considerable aid for such projects. Public Health Service grants to the two-State area during fiscal year 1965 totaled \$638,045. Of this, Chicago received \$393,000; Cook County received \$50,084; the State of Illinois received \$79,416; the State of Indiana received \$38,100; East Chicago, Ind., received \$14,680; and Gary, Ind., received \$62,765. In addition, each of these governmental units has appropriated considerable sums for air pollution control. The compact between Illinois and Indiana is an important addition to these local programs and it is designed to provide machinery to solve mutual problems of air pollution on the State and interstate level.

Such efforts of interstate and intercommunity cooperation are essential. Senator MUSKIE has noted that:

Polluted air is carried from one political jurisdiction to another. Providing air of good quality to all of our people is a challenge and an obligation for government operations on all levels.

This is illustrated by my own metropolitan area of Chicago. James V. Fitzpatrick, commissioner of streets and sanitation of Chicago and formerly director of the city's Department of Air Pollution Control, told a Senate committee that in the six-county Chicago metropolitan area there are over 1,000 independent political jurisdictions dealing with this problem. Similarly, Albert J. Mullins, administrator of the Cook County Air Pollution Control Bureau, said that:

Even if every suburban village were to adopt an ordinance, Cook County's assault on air pollution could be severely hampered

by the failure of adjoining counties, including the nearby counties in Indiana and Wisconsin, to control air pollution.

Thus the need for cooperative action is clear. This problem of traveling polluted air requires intergovernmental cooperation, and it is precisely this type of cooperation that the Illinois-Indiana compact sets up the machinery for.

Mr. Speaker, we recognize that air and water are our most important natural resources. We have acted in Illinois and in the Chicago area to conserve our water and eliminate those threats which pollution brings to it. Chicago is also mounting a strong attack on pollutants of its air. I believe our city is making great strides in this sphere. Indeed, Chicago is rated at the forefront among large cities in its enlightened new approaches to clean air. Next month, for example, the city will open a monitoring network of stations to check air quality in various parts of the city. These stations will measure the degree of pollution, report them to a central air pollution center where they will be analyzed, and if the air is found to be polluted beyond a desirable level, the center will dispatch enforcement officers in radio patrol cars.

I think our city and our State have come to appreciate the threat of polluted air. I am hopeful that other areas of our country will join us in this concerted attack on pollution. We are mindful of President Johnson's message to Congress on the preservation of natural beauty in our country, where he emphasized that air pollution threatens not only the beauty of our natural environment but also the health of the American people. "A prime national goal must be an environment that is pleasing to the senses and healthy to live in," he said. To that end, I am glad to offer this bill setting up the Illinois-Indiana Interstate Air Pollution Commission.

I also wish to submit for the RECORD an article from the Chicago Daily News outlining just what some of the interstate and intergovernment problems in this field are, and how Chicago is going about its treatment of the problem:

HOW CHICAGO FIGHTS AIR POLLUTION: A MILLION TONS OF IRRITATION

(By Jay McMullen)

It started about 6 p.m. last Monday. At first the eerie, reddish haze that gathered over the city's far South Side was thought to be the approach of sunset on a June day.

But as the pall deepened—producing eye irritation among many citizens—it became apparent something much more unusual and sinister was transpiring.

Something was. The South Side was undergoing a fairly heavy siege of air pollution buildup. As darkness came, the buildup intensified, reaching its peak while the city slept and starting to disperse about dawn. Many people were unaware of what had happened, as the sun burned away the morning haze Tuesday.

What had happened is a story that is being repeated with increasing frequency in cities large and small across the land—the story of the growing corruption and pollution of an indispensable source, clean air.

The South Side Chicago episode contained all the ingredients for a modern disaster from an air pollution attack.

The wind had shifted from off the lake around to a south-southeast direction, blowing briskly across the South Side at 12 miles per hour from the heaviest source of air pollution in the area, the Gary and South Chicago steel mill areas.

Then as evening approached, the air became calm and a temperature inversion set in. With only a 3-mile wind, the pollution from steel mill stacks built up, trapped in the lower atmosphere by the inversion.

What made the Monday night siege more intense was that it coincided with a breakdown in smoke-elimination equipment at two steel mills.

And what made the episode even more unusual is that within hours city air pollution control officials were aware of what was going on and were able a few hours later to draw a fairly comprehensive picture of the entire 12-hour siege.

During the 12 hours, the suspended particulate matter—tiny invisible particles suspended in the air—were wafted over the entire city, producing the third heaviest readings of particulate matter concentration on the North Side this year.

The city's air monitoring devices, which measure the amount of gases and particulate matter in the air, showed that from an average of less than 100 micrograms of particulate matter per cubic meter of air the readings just north of the Loop rose to a peak of 245. The low North Side reading was 181.

The concentration of such gases as sulfur dioxide, carbon monoxide, carbon dioxide, nitric oxide and nitrogen dioxide increased substantially, doubling and tripling in some cases.

A fresh 12-mile-an-hour wind Tuesday morning dispersed the pollution, ending the buildup.

Chicago, alone of the big cities, has a complete air monitoring network of 20 stations located strategically around the city.

As a result, the city department of air pollution control is able to draw a pollution profile of the city's air for any 24-hour period, showing the degree of pollution in any sector of the city.

Chicago's air pollution control department has been completely modernized and overhauled since a young engineer, James V. Fitzpatrick, took over the department several years ago. He recently was named commissioner of streets and sanitation, but the new organization and principles he created will continue under his successor, William Stanley.

In a revolutionary approach that probably will set a pattern for cities of the world, the Chicago department has embarked on a Fitzpatrick-designed program of total air resource management.

Control of the purity of Chicago's air will be computerized, starting next month, under the new program.

A "remote monitoring network" system will go into operation in July. At first there will be eight stations with electronic air analyzers. Later, the network will be built up to 75 stations.

"When we get a buildup of air pollution in any area, the analyzers will send a message over telephone lines to the central air pollution control office," Fitzpatrick explained.

"A computer in this office will decide through built-in criteria whether it is an undesirable level and, if so, will put the message on a cathode ray tube, similar to a television screen, telling a dispatcher which radio-patrol car is nearest to the scene. It will also designate the station where the pollution buildup is occurring."

One of the department's 10 patrol cars will then be dispatched to the scene to help detect the origin of the pollution buildup.

Other benefits from computerization will include maintenance of an on-line file of

buildings that have an air pollution potential. These will be cataloged by type of equipment, including a history of previous violations and the names of the owners. The entire case data will be flashed on a screen in less than 3 seconds.

In addition, a daily index of the level of pollution throughout the city will be provided within seconds each morning. With today's more cumbersome network it takes 40 hours to compile the readings that are used to draw pollution profiles.

David Cranshaw, system engineer, who is setting up the new network, said inspection reports will be on punchcards.

The network air analyzers will telemeter reports to the central computer panel every 15 minutes, measuring sulfur dioxide, oxides of nitrogen and other gases.

Chicago's air pollution control program has been tabbed by the U.S. Public Health Service as a model for the Nation.

Since Fitzpatrick took over the department, great strides have been made in cleansing Chicago's air—even if last Monday night's seige illustrates dramatically that the job has only started.

Fitzpatrick summarized improvements that have taken place in the last 3 years:

Open burning of all debris from wrecked buildings has been banned in the city.

Open burning of junk cars—a major source of intense smoke—has been halted by a tough enforcement drive and development of new junk car processing equipment that is virtually smokeless.

Crackdowns have been launched against lax industrial processes that produce excessive smoke.

The city's air pollution control ordinance, already one of the Nation's most modern, was amended at Fitzpatrick's insistence to close big loopholes.

No. 2 smoke, for example, (which under a chart rating blacks out 40 percent of the light) has been banned entirely under the amendments.

The biggest stride by far was taken when the ordinance's exemption of the Chicago steel industry was nullified. Steel officials, under threat of coercive action by the city, agreed to a 5-year \$50 million program that should virtually eliminate the type of air pollution buildup that occurred Monday.

But Fitzpatrick warned there are numerous other major industrial pollution potentials in Chicago. These may prove equally difficult to control.

For the first time in the city's history, an inventory has been made of pollution that is spewed into Chicago's air each year.

The inventory includes 16,930 tons of particles from the combustion of coal and oil in food production industries alone.

An astonishing total of 341,000 tons of particulate matter is hurled into the air each year over Chicago from combustion of fuels in 5,000 of the 7,000 industrial plants in the city.

One of the largest single sources of pollution from fuel combustion is the Commonwealth Edison Co.'s five plants.

Processing of metals produces 6,400 tons of solid emissions per year, apartment buildings 32,000 tons.

THE HUDSON NATIONAL SCENIC RIVERWAY

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

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

There was no objection.

Mr. DANIELS. Mr. Speaker, I have introduced a bill today to provide for the

establishment of the Hudson National Scenic Riverway in the States of New Jersey and New York.

Mr. Speaker, the pollution and defacement of this once beautiful river is a national disgrace. Through neglect and indifference we have allowed the Hudson River, a great natural resource, to fall into a state of decay. Something must be done if we are to save this great river for our children.

My bill would grant authority to the Secretary of the Interior to exercise jurisdiction over the construction of dams, dikes, or other potentially harmful structure which may adversely affect the Hudson.

At present, there are not less than five agencies of the Federal Government, the Federal Power Commission, the Atomic Energy Commission, the Corps of Engineers, the Coast Guard, and the General Services Administration, who can make independent decisions concerning the future of the Hudson.

Under the terms of my bill, the Secretary of the Interior shall cooperate with officials of the States of New Jersey and New York, as well as with officials of the political subdivisions of these States, in order to protect this vital natural resource.

My bill would authorize the setting up of a commission of 15 members, each appointed for a term of 2 years by the Secretary of the Interior.

Mr. Speaker, any discussion of this subject would not be complete without mention of the effort expended by the gentleman from New York [Mr. OTTINGER] who has labored long and hard in behalf of the Hudson River. Very rarely has a new Member earned the esteem of his colleagues as the gentleman from New York has done. His willingness to apply himself to vital problems marks him as one of the outstanding Members of the class of 1964. His efforts in behalf of the Hudson River have already earned him the deserved praise of conservationists everywhere.

Westchester County has not sent many Democrats to the Congress, but all residents of this fine county must realize that in Mr. OTTINGER they have a Representative who puts the needs of his people above mere partisanship. I am happy to join with other Members who have previously expressed their gratitude for his efforts in behalf of the Hudson River.

AN INFORMATIVE ADDRESS ON THE AMERICAN INDIAN

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

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

There was no objection.

Mr. EDMONDSON. Mr. Speaker, an unusually informative address on the subject of American Indian affairs was delivered at Tulsa, Okla., on May 28, 1965, by a distinguished attorney who is chairman of the Indian Law Committee

of the National Federal Bar Association, Samuel J. Flickinger.

Mr. Flickinger's discussion of some of the current legal and fiscal problems arising from the so-called termination program for Indian tribes is very useful.

His scholarly analysis of the Indian claims situation is also a valuable contribution.

There can be no doubt about the harmful effect of prolonged delay in the determination of claims pending for many years before the Indian Claims Commission.

The need to expedite the handling of these claims is increasingly urgent, and Mr. Flickinger's address emphasizes that urgency. In this connection I appreciate very much his favorable reference to H.R. 5379 which I have introduced in an effort to enlarge the Indian Claims Commission and expedite its work.

The complete text of Mr. Flickinger's scholarly address follows:

THE AMERICAN INDIAN—CHANGING TIMES

(Speech delivered by Samuel J. Flickinger, chairman of the Indian Law Committee of the National Federal Bar Association, Indian law seminar, May 28, 1965, Tulsa, Okla.)

Chairman Worrell, officers and members of the Tulsa, Muskogee, and Oklahoma City chapters of the National Federal Bar Association, members of the several panels, Federal and State officials, members of the Oklahoma Bar Association, members of the several Indian Tribes present, and all others present this wonderful morning, this is indeed a distinctive pleasure and honor to address you, as the representative of the National Federal Bar Association and its chairman of the Indian law committee, to greet you on this memorable occasion on behalf of the honorable president of the association, Ramsey Clark, who regrets exceedingly his inability to be here and express in person his greetings on the occasion of this, the first Indian law seminar, held under the auspices of the local chapters of the association and the national body.

I am expressing to you his heartiest congratulations for this excellent Indian law seminar which, it is evident, has been carefully prepared for the aggrandizement of all of you present. He expressed great appreciation for the program scheduled, the subjects covered, the panelists and speakers selected, which all adds up to one sure thing—a rare opportunity for those interested in the legal status and rights of the American Indian.

President Clark expressed his congratulations for the initiative, enthusiasm, and outstanding effort put forth in the planning and organizing of this long-needed Indian seminar. He expressed his desire that I personally thank Jim Worrell, the seminar chairman, for him. This I have done. We all owe our greatest appreciation and thanks to Jim and to those members of the three Oklahoma chapters of the Federal Bar Association who have spent their time and energy in order to present this wonderful sight in this large assembly hall filled to capacity with Federal, county, and State lawyers, and others, all friends of our great American Indians, who have given up their valuable time today to participate in, learn, and impart knowledge of the law applicable to American Indians. I know personally that when I inform our distinguished president of the Federal Bar Association about the large gathering of distinguished lawyers and others in attendance at this seminar, and of the manifest interest shown throughout the proceedings, he will be more than glad of the accomplishments. (At the

close of the seminar proceedings a motion to hold another Indian seminar next year was unanimously adopted.)

Another distinguished official, known personally by you people from this great State of Oklahoma, who is very happy over the results of the three Federal bar chapters in your State and his in bringing about this seminar. This distinguished gentleman is none other than Congressman Ed EDMONDSON of the Second District of Oklahoma.

Congressman EDMONDSON expressed his delight in the growth of the Federal Bar Association in your, and his, State of Oklahoma. He was appreciative of my offer to express his greetings and best wishes to all of you in attendance at this Tulsa Seminar on Indian Law, sponsored by the three Oklahoma chapters, the Federal Bar Association, and its Indian law committee. He is well pleased with the growth and activity of the local chapters of the association. Congressman EDMONDSON informed me that he is very interested in learning of the recommendations of the association on any matters now before the Congress of the United States. It is my honor to present to you these best wishes from Congressman EDMONDSON.

Congressman EDMONDSON has expressed his desire to have the Congress of the United States enact H.R. 5379, a bill introduced by him in the present Congress for the purpose of extending the term of the Indian Claims Commission and to add two additional Commissioners to the Commission and provide for the rotation of the Chairman of the Commission every 2 years. Congressman EDMONDSON'S purpose in introducing this measure is to expedite the judicial determination of the many Indian claims still pending before that Commission for adjudication after 19 years have lapsed since the Commission was created by Congress. Congressman EDMONDSON believes the proposed amendment as dealt with in H.R. 5379 will aid in shortening the time required to finally adjudicate all of the pending Indian claims. For this reason the Congressman desires the adoption of the measure during the present session of Congress. Later on in my presentation, I will deal further with this subject.

Of course, you all present know of the great work done by Jim Worrell for the success of this seminar. I also desire to point out this idea of a seminar on Indian law in Tulsa had its beginning when George B. Schwabe was with the Solicitor's Office of the Interior Department in your city of Tulsa; Don Leecraft, former president of the Tulsa chapter, did much to push it along. Harold R. Schoemake, president of the Muskogee chapter, the district vice president of the Federal Bar Association; Joe S. Wallace, field solicitor, Interior Department; Lyle R. Griffis; Robert L. Berry, president of the Oklahoma City chapter, and Raymond F. Sanford, regional solicitor, Interior Department, Tulsa, materially aided in making this seminar a great success.

At this time I wish to introduce to you a distinguished New York lawyer, a member of the Indian law committee of the association, Jay-Ehret Mahoney of the law firm of Mahoney, Spohr & Mahoney, 165 Broadway, New York City. It is such interest in the affairs of the Indians as shown by Mr. Mahoney, who flew here from New York City to attend this seminar, that insures the success of the law committee efforts for the benefit of our American Indians. Thank you, Jay-Ehret.

This seminar should express forcefully to those lawyers who are eligible for membership in the Federal Bar Association, and who have not as yet applied for such membership, that they should no longer delay filing their application for membership. The respective presidents of each of the three Oklahoma chapters have membership applications for such purposes. If you are eligible for mem-

bership, you need to be a member of the Federal Bar Association and the Federal Bar Association needs your membership; so why not act promptly, and file your application for membership in this great organization of Federal Government lawyers and former Federal Government lawyers. The Federal Bar Association now has approximately 13,000 members throughout the United States, with at least one chapter in each of the 50 States.

There is another organization closely allied with the Federal Bar Association and located in the Federal Bar Association building; namely, the National Lawyers Club, 1815 H Street, N.W., which is an outstanding club of lawyers of the several States and the District of Columbia. The President of the National Lawyers Club, Hon. Earl W. Kintner, sent to me application and descriptive material concerning this great club. To all members of the FBA who join the club there is a \$10 annual dues credit. Membership in this club to all lawyers in Oklahoma, who, from time to time, have business in Washington, D.C., will find it desirable to join the National Lawyers Club, as a nonresident member. The fees for such nonresident members are very modest. Earl Kintner, on two different occasions, was president of the Federal Bar Association. Great credit is due him for his accomplishments in the building of the Federal Bar Association building and his untiring efforts for both of these great organizations.

The subject of this discussion deals with our American Indian and the changing policies over the years of the Government of the United States. Owing to the limited time allotted, my remarks will deal with the different eras over the changing time. Because of the vastness of the Indian subject, it would appear appropriate, even though some of you are familiar with the changing periods, to briefly call your attention to them. The first may be considered the treaty period. This period principally began in the early 1800's. During this period negotiations were carried on by representatives of the United States, appointed for the purpose of negotiating with the principal chiefs of the particular tribe or tribes or bands of Indians. These negotiations were usually for the purpose of establishing or for the continuance of peace and amity. The treaties¹ usually resulted in restricting the Indians from continuing to use the vast area over which the particular tribe or tribes or bands of Indians roamed to a much lesser area. These lesser areas of land were referred to as the diminished Indian reservation. The area released to the United States by the treaty provisions was commonly referred to as the ceded Indian reservation. These ceded areas were made available by congressional enactments for disposition by the United States to prospective settlers. The treaties provided the price to be paid to the Indians for release of the larger areas occupied by the particular Indian tribe or bands. In the greater number of these cases the United States did not make a direct payment of an agreed price for the cession by the Indians to the United States. Though certain sums of money were paid, and certain equipment and other materials furnished to the Indians, as specified in the treaty, after ratification thereof by the Senate of the United States. Not infrequently certain sums of money were paid over a period of 10 or more years. The lands ceded by the Indians to the United States by such treaties were to be surveyed and opened to homestead entry, provision being made, requiring the entrymen to pay a sum, usually about \$1.25 an acre, which payment was to come to the Indian tribe, less the cost of surveys and other expenses specified in the particular

treaty. Usually provision was made for the disposition of such lands and the areas not then disposed of by entry were to be disposed of by auction bids or otherwise.

These provisions of the cession were not always carried out, and after many years had lapsed it was realized that only part of the ceded lands had been entered by homesteaders and, consequently, the Indians had never received pay for the cession of the lands that were still unentered. Disputes arose in connection with the right to the use of these areas. The Indians had not been paid for the lands, though they had lost control over them. This matter reached the Supreme Court of the United States in the case entitled *Ash Sheep Company v. United States*, 252 U.S. 159 (1920). In this case the question involved was whether or not by a cession of land by the Crow Indians under an agreement or treaty established the relationship of trustee and beneficiary. The Indians had ceded their possessory rights in such lands, of which the fee was in the United States, and the United States had undertaken to sell these lands (sections 16 and 36 for school purposes to the State excepted) to settlers and to apply the proceeds in specified ways for the benefit of the Indians, or whether such lands had become public lands of the United States. This case held that such lands were not "public lands," but are Indian lands, within the meaning of Revised Statutes, section 2117, which imposed a penalty for driving stock to range and feed on any land belonging to any Indian or Indian tribe without the tribe's consent. This case is very important to the Indians, in deciding the rights of the Indians under such arrangements as provided for in treaties which were not fully carried out, as contemplated or understood by the Indians under the treaties at the time they were executed. The trespassers in this case, who drove some 5,000 sheep on these ceded Indian lands, contended that the term "cattle" used in the statute, did not involve "sheep." The Supreme Court in its decision in the case, pointed out that as early as 1871, the U.S. District Court for the District of Oregon, had held in a carefully reasoned opinion that "sheep" were clearly within the remedy provided for by R.S. 2117. The 1837 edition of Webster's Dictionary defines the word "cattle" to include "sheep." That in 1884 the Attorney General of the United States in an opinion to the Secretary of War in regard to the question left little doubt by disposing of it in a single sentence: "The standard lexicographers place sheep under the head of cattle." It appears that the lands were to have been entered by homesteaders who would have been required to pay so much per acre for the entries. The difficulty arose by reason of the fact that the lands had not been disposed of and years had elapsed without any compensation for those unentered lands accruing to the Indians. This case, accordingly recognized an equity in the Indians, so that while the lands were ceded Indian lands, since they had not been entered and payment received by the Indians therefor, the equities remained in the Indians and all revenues derived from unentered, ceded Indian lands, belonged to the Indians.

The second period began with the act of July 9, 1832, 4 Stat. 564, when the Congress authorized the position of Commissioner of Indian Affairs. The Commissioner was appointed by the President by and with the advice and consent of the Senate. The Commissioner of Indian Affairs thus appointed was under the direction of the Secretary of War and agreeable to such regulations as may be prescribed by the President of the United States. The Commissioner was vested with the responsibility of management of all Indian Affairs. At that time the military was the branch of the Government charged with dealing with the Indians.

¹ See *Anderson v. Britton*, 318 Pac. 291. Jurisdiction upheld. See appendix.

The third period began with the act of March 3, 1849, 9 Stat. 395. By section 5 of this act, the supervisory and appellate powers over Indian affairs exercised by the Secretary of War were vested in the Secretary of the Interior. Thus, by this act, the responsibilities of the Commissioner of Indian Affairs were transferred from the military to the civil branch of the Government. This act of March 3, 1849, created the executive Department of the Interior and authorized the appointment of a Secretary to head that Department.

The fourth period came about by the Congress on March 3, 1871, taking steps which provided that in the future all dealings with Indian tribes would be not by negotiations of a treaty by and with the consent of the Senate, but in accordance to acts of Congress, in the nature of agreements, negotiated by and between the Indians and the United States for the purposes therein dealt with. Since the enactment of the 1871 act, terminating recognition of treaty provisions of the U.S. Constitution in dealing with Indian tribes, negotiations have been carried on from time to time dealing with Indian tribes, which have resulted in the enactment of legislation by Congress in proper cases. Such acts of Congress, not infrequently, carry in such acts a requirement that the provisions of the act would not become effective unless within, say, a 6-month period from the date of the act, ratification thereof has been given by the Indians through appropriate resolution adopted by the tribal council of the proper tribe.

The next important era in dealing with the Indian matters had its advent by the enactment of what is commonly known as the General Allotment or Dawes Act of February 8, 1887, 24 Stat. 388, 25 U.S.C.A., 331, 332, as amended, by the act of February 28, 1891, 26 Stat. 794, and the act of June 25, 1910, 36 Stat. 859. Pursuant to this act, many of the Indian reservations, in part, at least, were divided into individual tracts known as allotments which were assigned to the members of the tribe or tribes on the particular reservation. The individual Indian members of the tribe received, according to the area of the reservation, and of the nature and character of the reservation, allotments ranging from 80 acres of agricultural or 160 acres of grazing land. In some instances, where land was susceptible of irrigation, a 40-acre tract of irrigable land was provided. On some reservations 320 acres of grazing land was allotted. In some instances, in addition to the allotments above referred to, a small acreage of timber land was also included in such allotments. In other instances the mineral estates were reserved to the tribe, as in the case of the Osage Tribe of Oklahoma, where under the act of June 28, 1906, 34 Stat. 539, tribal ownership was retained in the very valuable minerals found underlying the Osage Reservation. The Supreme Court, case of *McCurtay v. U.S.*, 246 U.S. 263 (1918) gives a glance of the special legislation enacted for the protection of the mineral rights of the Osage Indians which proved so valuable to the enrolled members of this tribe to whom headrights were granted. Mineral reservations have been provided for in more recent times by acts of Congress, such as the legislation dealing with the mineral rights on the Fort Peck Indian Reservation in Montana, amending the act of March 3, 1927, 44 Stat. 1401, by the act of June 30, 1954, 68 Stat. 358, 359. By such amendment the tribe benefits.

The allotment of land to the individual Indians carved out of the tribal reservation was in keeping with the demands made by the vast exodus of people moving westward to take up homesteads on the public domain. These people were seeking to obtain a plot of land on which to establish a home in which to live. Congress had enacted legislation dealing with the opening of public

lands to homesteading which was so important in the development of the West, by the citizens of the United States, to provide a plot of land on which homesteaders could develop a place on which to raise their families. It was then thought only logical to provide by the General Allotment Act for the individual Indian of a reservation to have a homestead on which to build a home when he had reached adulthood, so that he would be able to follow in the footsteps of his white brother, which it was thought would bring the Indian into the body politic. This then appeared to be a good step, but unfortunately, due to many existing conditions and the facts apparently not carefully considered, most of the Indians were not accustomed to such changing conditions, and accordingly this did not prove a success for the Indian. In fact, only the white homesteader benefited. Perhaps one of the important reasons why the Indian did not benefit was due to the lack of proper transportation facilities, necessary qualified people to provide the proper training for the Indians to change their habits and customs to that of a farmer or rancher. Furthermore, the number of personnel in the Indian government service was insufficient to aid properly in the accomplishment of these goals. It also appears that pressure was brought as another means to make the allotments to the Indians available for sale to non-Indians. This resulted in many of the Indian allotments passing out of Indian ownership.

The next step involved U.S. citizenship. Through different acts of Congress and certain treaties, such as the treaty of September 27, 1830, with the Choctaws, one of the Five Civilized Tribes, article 14 of which as reported in 7 Stat. 333, 335, conferred citizenship on heads of families (see also footnote 517 of the Federal Indian Law, Interior Department, 1958 edition for the treaty references), there was no act of Congress authorizing the granting of citizenship through court procedures or otherwise to Indians. The Indians were wards of the United States, but were not subject to becoming citizens of the United States, unless and until specifically authorized by the Congress. Some unsuccessful efforts had been made to obtain legislation granting citizenship to American Indians. It was not until the act of June 2, 1924, 43 Stat. 253, was there specific granting by the Congress of citizenship to Indians. It was contemplated by the drafters of this legislation to vest in the Secretary of the Interior the authority to issue certificates of citizenship to Indians. In fact, the title of the enactment provides: "An Act to authorize the Secretary of the Interior to issue certificates of citizenship to Indians." The title, however, of the original bill is all that remained. The balance of the bill was stricken and there was incorporated the following: "That all noncitizen Indians born within the territorial limits of the United States be and they are hereby declared to be citizens of the United States: *Provided*, That the granting of such citizenship shall not in any manner impair or otherwise affect the right of the Indian to tribal or other property." This protection was very important to the Indians. By this enactment of June 2, 1924, all American Indians born within the territorial limits of the United States are citizens of the United States. Some of the States, however, after the enactment of this legislation, prevented the exercise of the vote and other rights of American citizens within their respective State. It was provided in some of the States that since the Indians resided on Indian reservations, the title to which was in the Federal Government, the equity being in the Indians, a polling place could not be established so that there was no means under which the Indians within the boundaries of each State could exercise their voting privileges which is a fundamental privilege,

though unfortunately not so recognized by many citizens as is evidenced by the comparatively small number of ballots cast in the several States in elections. Some Indians had difficulty in enjoying other privileges; for instance an Indian in Arizona had endeavored to carry on a transportation business. He, however, was not granted a license for such purpose because of the fact that he was an Indian and residing on an Indian reservation. After the matter was thoroughly gone into the Supreme Court of Arizona reversed a prior much earlier decision of the court and the Indians rights were recognized to exist as a citizen of the United States and of the State in which he resided and he was issued the necessary permit to conduct the business. The right to vote has received consideration of the courts in several of the States, and now it is more or less generally recognized that the Indians do have the right to exercise the voting privileges. This is a subject like many others deserving of extended discussion, but time does not warrant it here.

The next step is what is known as the Reorganization Act, or Wheeler-Howard Act of June 18, 1934, 48 Stat. 984; 25 U.S.C.A. 461 et seq. In general, the purposes of the authors of this reorganization step were to cement together the Indian people into tribes and to gather together the Indian lands of the respective tribes on their respective reservations into tribal ownership. This would have reversed the results of the General Allotment Act of 1887 heretofore referred to. Under the General Allotment Act, as an Indian died his allotted lands usually would be sold to non-Indians and the money thus obtained was used to help, in a meager way, to aid in the paying for the livelihood of the heirs of the decedent. The result had been an enormous diminution in the areas of the Indian lands within the several Indian reservations. The original plan of the policymakers of the Reorganization Act were to apply its provision to all Indian tribes. The plan, however, was greatly changed from the original proposal introduced in Congress. As finally enacted the Indians themselves had a voice in determining whether or not they would accept or reject the provisions of the Reorganization or Wheeler-Howard Act. Approximately 78 tribes, bands, or groups of Indians, rejected the provisions of the Reorganization Act and 191 of such groups accepted its provisions. Further allotments to individual Indians were prohibited by the act. In carrying out the purposes of the act an order was issued by the Secretary of the Interior greatly limiting the sale of allotments of deceased Indians except to the Indian tribe on the reservation where the lands were located. Apparently, the hope at that time was that the Indian allottees would willingly convey their allotments back to the tribe, taking land assignments in lieu thereof. This proved not to be so. In the instance of the Cheyenne River and Standing Rock Tribes of South Dakota, there arose a dissension about the payment to individuals for lands that were taken in the building of reservoirs by the Army Engineers in the Missouri River.

The Indians who had been formerly allotted, or the heirs to such allottees who had relinquished the allotments and taken assignments, claimed that they did not understand the situation and that they still owned their allotments. To adjust this matter and to make the payments in those cases where former allotments were inundated, Congress by the act of July 14, 1954, 68 Stat. 467, restored the allotments to the Indians. Thus by this act of Congress, the Cheyenne River and Standing Rock Indians of South and North Dakota in effect had their assignments changed back into trust status and the original allottees, or their heirs, continued to have their tax-exemption period continued

on the lands until otherwise directed by Congress.

Perhaps the most important features of the reorganization or Wheeler-Howard Act is the stimulation of the interest in self-government in the Indians. The council's activities were emphasized. The elected members of the tribal council's activities were stimulated. Law and order enforcement was improved on many of the Indian reservations. The individual Indians showed greater interest in their tribal affairs. Greater powers vested in constitutions, by-laws, and charters granted pursuant to that act. This was denied by some. Mr. Felix Cohn, then Assistant Solicitor of the Interior Department, held that the Reorganization Act limited the powers of the tribes instead of granting the tribes greater powers. The act generally was excluded from application to Oklahoma.

The administration by the Federal Government of Indian affairs over the years has given rise to many claims of error. Changes in policy and in the performance of the duties imposed by treaties and acts of Congress have given rise to such claims. Over the years the only way that an Indian tribe could air its alleged grievances against the Federal Government was by obtaining a jurisdictional act in the Congress. Such acts when obtained, would authorize the particular tribe, or band of Indians, to go into the Court of Claims to have determined whether or not the handling of their affairs by the Federal Government had been in accordance with the requirements of the treaties or acts of Congress. This was a tedious procedure, often requiring much time by attorneys employed by the Indians and involving long delays before the desired legislation was enacted. The attorneys contracting with the Indians are required by law to have their contracts approved by the Secretary of the Interior. This is required by the Revised Statutes, section 2103; 25 U.S.C. 81 to 84, inclusive, which provides "that no agreement shall be made by any person with any tribe of Indians or individual Indians not citizens of the United States for the payment of delivery of any money or any other thing of value unless such contract or agreement be executed and approved as therein provided which required the approval of the Commissioner of Indian Affairs and the approval by the Secretary of the Interior. By delegation under authority, this authority was later vested in the Solicitor of the Interior Department and under date of November 26, 1962, the authority for the approval of tribal attorney's contracts was vested in the several area directors of the Indian Bureau, with the exception of possibly the contracts of the Five Civilized Tribes, for which special legislation deals with such contracts. On August 27, 1958, 72 Statute 927, there was deleted from 2103 of the Revised Statutes, 25 U.S.C. 81, the language "for individual Indians not citizens of the United States." Since the Citizenship Act of 1924, all Indians born within the United States are citizens of the United States.

Getting back to the procedure of obtaining a jurisdictional act, which was an exceedingly tedious procedure, often requiring much time of the attorneys employed by the Indians and involving long delays before the desired legislation was enacted, which was not always satisfactory to the Indians. Furthermore, the jurisdictional act finally obtained, did not always permit the presentation of all the claims the Indians believed, they were entitled to have judicially determined.

Congress remedied the above situation by the enactment of the Indian Claims Commission Act of August 13, 1946, 60 Stat. 1049, 1055; 25 U.S.C. 70-70W. This act authorized the Indian tribes, bands, or other identifiable groups of Indians to file their claims with the

Indian Claims Commission for adjudications within 5 years from August 13, 1946. Thus, all Indian groups were accorded their day in court. There were three hundred and seventy (370) dockets filed with the Indian Claims Commission before the deadline in 1951, fixed by the August 13, 1946 act. These were split and numbered 596 dockets involving 852 claims. As of May 12, 1965, according to the Indian Claims Commission's data, final awards have been made in 84 cases. Of these 84 cases, 76 have been finally processed for which the Indian claimants have been awarded \$163,199,670.05. The difference between the figure of 76 and 84 involves judgments by the Commission which are pending on appeals. The Commission has also denied 116 claims.

The Commission as now constituted consists of a Chief Commissioner and two Associate Commissioners who function as judges. Appeals from the Commission's decisions go to the U.S. Court of Claims, and from decisions of that court, certiorari may be sought, which if granted, final disposition of the case would be by the Supreme Court of the United States. The life of the Commission under the 1946 act was for a period of 10 years after the Commission's first meeting. This period was extended for 5 years by the act of June 24, 1956, 70 Stat. 624; 25 U.S.C. 70V, and for an additional 5-year period by the act of June 16, 1961, 75 Stat. 92, 25 U.S.C. 70V, and was further extended to April 10, 1967. The act of June 16, 1961, 75 Stat. 92; 25 U.S.C.A. 70V reads: "The existence of the Commission shall terminate at the end of 5 years from and after April 10, 1962, or at such earlier time as the Commission shall have made its final report to the Congress on all claims filed with it. Upon its dissolution the records of the Commission shall be delivered to the Archives of the United States. Under present legislation the Commission will terminate its duties on or before April 10, 1967, unless the period is further extended, and if it be so terminated, at the rate of the disposition of the pending cases, many of such cases would remain undetermined, which would be inconsistent with the fundamental purpose of the Indian Claims Act; namely, to give all Indian claimants their day in court. This, of course, would never do. It appears impossible for the present Commission to complete its work by the time specified, or within years to come, unless considerable additional help is provided to facilitate the workings of the Commission and even then it would appear additional time will be needed.

The Congress of the United States by enacting the Claims Commission Act expressed the desire to provide the means for the compensation to the Indian tribes, bands, or other identifiable groups, for errors and mistakes which may have been made in the administration of the trusteeship, vested in the Secretary of the Interior, by the Congress, in handling the Indian problems and their property over the years.

Approximately 19 years have lapsed since the creation of the Indian Claims Commission. It is understood that when Congress enacted this legislation many of the Indians of the several reservations were quite elated because they believed that their tribal claims would now be presented for determination of their validity. It is also understood that some of the older Indians who, approximately 19 years ago, felt elated over the enactment of the legislation, now feel quite differently about the legislation, as it had been indicated to them that they would be compensated for ancient wrongs and they now feel, as their forebears felt, some five or more generations ago, because it looks to them as though it will be their grandchildren, or great-grandchildren, that the successful prosecution of their cases will benefit. It is important that action be taken to speed up in a judicial manner the disposition of the pending cases.

Many of the tribes whose cases are before the Commission are without funds for the preparation of their cases. It would appear that the mere holding of a right of the Indian tribe, band, or other identifiable group, to file their claim is of very little value, if the Indians are without funds to use in the preparation and trial of their cases. For awhile, some of the attorneys handling claims under approved contracts advanced the money required to prepare and present their client's cases before the Commission until, the Commission held, and properly, that this was not proper. To remedy this, the Department of the Interior and the Department of Justice and the Indian Claims Commission favored an appropriation by Congress, to be handled by the Interior Department to make loans from such funds to Indian tribes, bands, or other identifiable groups, for such purpose. Authorizing legislation was enacted as Public Law 88-168, effective November 4, 1963, to authorize an appropriation of \$900,000. The money was appropriated for the purpose of carrying out this authorization by the act of July 7, 1964, 78 Stat. 273. The regulations governing the carrying out of the loans to the tribes were promptly approved and promulgated, so that this state of the matter would no longer affect the progress in handling these Indian claims. It appears, however, that the sum appropriated will not be adequate to make loans to all Indians needing such loans for the prosecution of their cases.

In the House hearings on H.R. 4109, April 28 and May 10, 1961, involving the extension of the life of the Indian Claims Commission, Congressman EDMONDSON, Second District, Oklahoma, testified on behalf of increasing the number of Commissioners from 3 to 5. Congressman ASPINALL at those hearings, stated: "It is my understanding especially in light of what the Chairman has said about extending this Commission for only the 5-year period, that if we extend it for 5 years and extend it with the same personnel that they have at the present time, we more than likely will bring about a stepped-up program for this Commission. * * * I personally would be willing to extend it for 5 years and forget additional Commissioners and hearing examiners, with the knowledge that if we do not see a stepped-up program, then we can come in and do something else. But there is no chance of getting additional quarters for additional Commissioners at the present time, because they have just moved into their new quarters." Congressman EDMONDSON also asked: "Do I understand that both the Interior Department and the Justice Department have favored enlarging the Commission by two additional members, or merely the Interior Department?" The summary here before us says the Interior Department report is favorable if enacted with the amendment to add two additional Associate Commissioners. And it says the Department of Justice recommends the enactment of the legislation with this technical amendment only added to it. This was back in May of 1961.

Complaints have been received also by the Chairman of the Indian Law Committee of the Federal Bar Association, from some of the attorneys, who have cases pending before the Commission and who are members of the Indian Law Committee of the Federal Bar Association, about the long time that lapses before action by the Commission is taken. With the desire to have these Indian claims cases handled without such long delay, there has been introduced in the present Congress, by Congressman EDMONDSON, H.R. 5379 for the purpose of increasing the members on the Commission by two and to provide for the rotation of the Chief Commissioner as therein set forth, with a view to expediting the handling of these Indian claims. The bill also provides for an extension of the life of the Commission. This particular

phase does not seem so important, as the present Commission runs until 1967. It appears that adequate time exists for Congress to consider this at a later time prior to 1967.

The Indian Law Committee of the Federal Bar Association is vitally interested in the welfare of the Indians. If the American people, and all of the people involved and responsible, do not devise techniques that will give fair and expeditious trial of these cases, then it would seem that to a considerable degree we are compounding any wrong that was committed a hundred or a hundred and fifty years ago because by the Indian Claims Commission, the Congress gave an expectancy to the Indian tribes, whose claims are sound, and due to the long lapse of time, the expectancy has not been realized because it has taken too many years for the Commission to reach all of the Indians' cases. Accordingly, this legislation does not accelerate the tendency of the Indian on the reservation to take the necessary steps to become a full participating citizen in the American social scene, the ultimate goal being sought by and for the Indians. All of the American Indians of the United States should be given, as soon as possible, full opportunity to participate, as full American citizens, and enjoy all the social aspects of American life. These undecided claims of the Indians tend to keep them on the reservation. Each Indian should have the opportunity of self-determination in reaching a decision, as to whether or not he will leave the tribal life of the reservation, and dissociate himself from the culture of the Indian, and participate in our culture. It seems, however, as long as the Indian claims have not been adjudicated there is a strong urge on the Indian to remain in status quo. If this be true, it is evident that the undetermined claims of Indian tribes pending before the Indian Claims Commission play a large part in such decision of those Indians.

In regard to the importance and merit of the Indian claims, attention is directed to Appeal No. 3-63, decided October 16, 1964, in the U.S. Court of Claims in the case entitled *Sac and Fox Tribe of Indians of Oklahoma, et al., appellants, v. The United States, appellee*, wherein the Court of Claims, advance sheets, pages 11 and 13, used strong language, showing in that case that in 1889 and 1890 there was great political pressure on the Government to provide more land for white settlers. The result of this political pressure became apparent in the negotiations between the Jerome Commission and the Sac and Fox Tribes. Not only were the tribes told by the land commissioners that they must sell; they were admonished that they could sell only to the United States, and only when the United States was ready to buy, that they could not even lease or mortgage the lands. Finally they were told by the Commission in language of unmistakable import that \$1.25 per acre was all they could get because that was all the Commission and the Congress would approve. They were even advised by one of the commissioners that "We have offered you more land and made a better offer than the law provides for." The Court of Claims, on pages 9 and 10 of its opinion quotes with approval from the dissenting opinion of Commissioner Scott of the Claims Commission. The court reversed the majority decision of the Indian Claims Commission, and remanded the case for further proceedings by the Commission. The court indicated that the evidence showed at least a value of \$3 an acre, while the majority opinion of the Commission fixed a little over one-third that value. The Court of Claims decision in the Sac and Fox case, shows, it would seem, the need for the most careful consideration and judicial determination in the handling of these Indian claims cases. Further, it would appear that, by the addition of more qualified commis-

sioners on the Indian Claims Commission, would result in expediting the handling of these Indian claims. It would further appear that favorable action on Congressman Edmondson's bill should result beneficially to the Indians for whom the Congress enacted the 1946 legislation. Congressman Edmondson has given careful consideration to the wording of his bill and believes its enactment will facilitate the disposition of these cases.

The question is often presented in discussions why the American Indians are still under the special supervision and jurisdiction of a branch of the Federal Government. Under the Commerce Clause of the Constitution of the United States, the Congress has the power to deal with the Indians. It can terminate its jurisdiction of the Bureau of Indian Affairs and of the Secretary of the Interior over Indian matters. The Congress is the body vested with the power to make decisions in this respect. The Congress of the United States in 1954 in a series of acts such as the act of September 1, 1954, 60 Stat. 1099, 1104; August 27, 1954, 68 Stat. 888; August 23, 1954, 68 Stat. 766, 769; August 13, 1954, 68 Stat. 724, 728; August 13, 1954, 68 Stat. 718, 723, as amended, 72 Stat. 816, 819, and 73 Stat. 70, applying to specific Indian tribes providing for the termination of Federal supervision over certain tribes, bands, and colonies of Indians. These jurisdictional termination acts applied to several reservations in Utah, including the mixed-blood Ute Indians of Uintah and Ouray Reservation of that State; the Alabama and Coushatta Tribes of Texas; the Grand Ronde, Siletz, and several other groups including the Klamath Indians of Oregon, and the Menominee Tribe of Wisconsin. The Klamath Indians had the privilege to elect to have their interest in the reservation paid to each Indian in cash, or to have an interest in a share of the tribal property retained under a corporate charter. Those Indians who retained their interest in the tribal property of the reservation no longer have it held by the United States in trust for them.

A trust agreement was entered into by the United States, acting through the Secretary of the Interior, with the U.S. National Bank of Portland as trustee for the Klamath Tribe consisting of 473 Indians who decided not to withdraw therefrom. These Indians approximated 22 percent of the total enrolled members of 2,133 members. The withdrawing members were 1,660 Indians. The total acreage of the reservation (1956 figure) was 966,844 acres of which 862,662 acres was in tribal ownership; 104,322 acres was in allotments to individual Indians. The total value of the reservation was given as \$70,352,872. The Forest Service of the Department of Agriculture paid \$68,716,691 for 526,000 acres acquired as a national forest. The individual value of the lands which the withdrawing members each received was \$45,279.71. The value of the land of those members retaining an interest of the reservation was \$23,743,000, which is the amount of the trust turned over to the bank of Portland heretofore named as the trustee for this group of Indians. Neither money or any of the Indians' property rights is now under the supervision of the U.S. Government. Such supervision was terminated by the Secretary's proclamation issued August 13, 1961, pursuant to section 18 of the act of August 13, 1954, 68 Stat. 718, which proclamation terminated 96 years of control over these Indians and their property by the Federal Government. This termination did not, however, affect the tribal rights of the Indians in certain claims pending before the Indian Claims Commission.

There was filed in the Court of Claims two suits by two separate firms of attorneys, claiming increased compensation for the value of timber rights of the Klamath Indians taken by the United States in the sale

and disposition of the Klamath Reservation. One case was filed April 2, 1961, by the Wilkinson, Cragun & Barker law firm, the other filed March 22, 1962, by the law firm of Whitford, Hart, Carmody & Wilson. Both suits were for the same purpose. It appears from the pleadings that one firm claims considerably more for their clients than the other. One claims the difference between \$127,459,171 and the \$70 million paid, apparently the belief being that the \$127,459,171 represents the fair value of the Klamath property dealt with. While the other firm apparently claims the fair market value of the property is \$200 million and they appear to ask \$158,063,065 in addition for their clients, the same Indians. This indicates some of the difficulties that are encountered in the administration of Indian Affairs. The Court of Claims has merged the cases. It will be interesting to learn what the final outcome will be. These cases show that these Indians are entitled to have their position in such matters judicially determined.

The Menominee Indians above referred to, through great effort on their part and with cooperation and hard work on the part of the Interior Department and the State of Wisconsin, have had their reservation established as the Menominee County of the State of Wisconsin. This reservation was never allotted, it being held in tribal ownership. A corporation was created to operate the timber operations, the business on the reservation. The forest is operated on a sustained yield basis. About 20 million board feet of green timber is cut annually, producing each year in excess of \$1,500,000. This operation has been the principal source of these Indians' revenue for over 40 years. This operation is now subject to taxes.

When the Secretary of the Interior and the Commissioner of Indian Affairs were supervising the reservation there were no taxes paid by the Indians in the operation of their sawmill, no gasoline tax from United States or State, and no State tax. The mill manager's salary was about \$12,000 a year. After the supervision by the Secretary of the Interior ceased under the act of Congress the manager of the mill's salary flew up to \$25,000 annually, so I have been advised. The State fixes a tax on the entire forest, they have all the taxes, State and Federal, applicable to other counties of the State. The Menominee Indians are now seeking appropriations from Congress because they cannot meet the tax burden. This is a problem which will require a lot of thought and study. I wonder what the final outcome will be.

This termination of Federal jurisdiction over Indians and their property was not pleasing to all. On September 18, 1958, the then Secretary of the Interior, the Honorable Fred A. Seaton, stated: "To be specific, my own position is this: No Indian tribe or group should end its relationship with the Federal Government unless such tribe or group has clearly demonstrated—first, that it understands the plan under which such a program would go forward, and second, that the tribe or group affected concurs in and supports the plan proposed."

When the present administration assumed the burden of the Interior Department the Honorable Stewart L. Udall appointed a task force to study Indian affairs. The task force report was made public on July 12, 1961. Secretary Udall said: "We plan to place emphasis on Indian development rather than on termination in the belief that this approach will win the cooperative response from our Indian citizens which is the keystone of a successful program."

The task force report states that "placing greater emphasis on termination than on Indian development impairs Indian morale and produces a hostile or apathetic response which greatly limits the effectiveness of the Federal Indian program."

The report cites, with approval, the beneficial nature of Federal programs which treat Indians and other Americans the same, such as the Social Security Act, the Area Redevelopment Act, the Public Laws 815 and 874 of the 81st Congress, which provide Federal aid to public school districts in federally impacted areas.

The task force report also urges that eligibility for special Federal service be withdrawn from "Indians with substantial incomes and superior educational experience, who are as competent as most non-Indians to look after their own affairs."

Calling attention to the serious shortage of employment opportunities for Indians, the report recommends development of Indian-owned resources, more vigorous efforts to attract industries to reservation areas, and an expanded program of vocational training and placement. It also calls for the creation of a special reservation development loan fund and expansion of the present revolving loan fund maintained by the Bureau of Indian Affairs.

The task force notes that in some areas, reservation development is complicated by the fact that Indian land allotments have many owners who either cannot be located or will not agree on how the property is to be used. It recommends transferring these fractionated holdings to the tribes and permitting the latter to compensate the owners through some system of deferred payment. In cases where such lands can produce income through timber leasing, the task force recommends that the Secretary of the Interior seek authority from Congress to negotiate leases and distribute the proceeds among the Indian owners, without having first to obtain their consent.

The report emphasizes the need for securing the aid of Indian communities in connection with reservation development and comments that "Indians can retain their tribal identities and much of their culture while working toward a greater adjustment."

It emphasized the need for economic development of the reservation by establishing a division of economic development, which would be concerned with resource surveys, tribal enterprises, attracting industry to Indian country, and the promotion of tourism on Indian reservations. Also recommended is the maximum delegation of authority from Washington to the area offices and the superintendents.

The task force urges the Bureau of Indian Affairs to work with the Department of Health, Education, and Welfare to develop eligibility criteria which will be consistent for the programs of both agencies. It suggests that those Indians who can afford to pay for health services be required to do so, and calls upon the Secretary of the Interior to lend his support to HEW's request for an increased appropriation to provide water and sewage disposal systems on Indian reservations.

The Chairman of the Indian Affairs Task Force was W. W. Keeler of Bartlesville, Okla., who is the executive vice president of the Phillips Petroleum Co. and principal chief of the Cherokee Nation; and other members were Philleo Nash, former Lieutenant Governor of Wisconsin; William Zimmerman, Jr., former Assistant Commissioner of Indian Affairs; and James E. Officer, University of Arizona anthropologist. Acting Commissioner John O. Crow consulted with the task force. Philleo Nash is now Commissioner of Indian Affairs. John Crow is Deputy Commissioner and James Officer is Associate Commissioner of Indian Affairs. Commissioner Nash and his associates of the Indian Bureau are carrying out to the best of their ability, subject to available appropriations for such purposes, to accomplish the recommendations in the task force report, looking forward to greater improvement on the economic standing of the American Indians.

Many millions of dollars have been expended in the road program on the several Indian reservations. These road improvements are for the opening of undeveloped sections of Indian reservations for industrial and commercial development, tourist trade, and for improvement, and increasing recreational uses. More and better roads mean improved schoolbus services for Indian youngsters and easier access to market areas for Indian farmers and ranchers. This and other means are being carried on to stimulate greater economic growth and development on Indian reservations. Another important aid in this respect for the benefit of the Indians on their respective reservations is to increase the authorized amount of the revolving loan fund of the Bureau of Indian Affairs. There is pending in the Congress a bill, which if enacted, would not only increase the available money for making loans but would also permit the making of grants of not more than 20 percent of the borrowed amount in loans under proper circumstances. Efforts are also being made to encourage broader financing of economic development on Indian reservations which would involve the establishment of an Indians' loan guarantee and insurance fund to be under the administration of the Bureau of Indian Affairs. These and other methods are being pursued for the purpose of aiding the American Indians on their reservations to gain a better economic status more in keeping with other citizens of the United States.

We should not lose sight of the fact that many of our American Indians have gained outstanding status not only in their own community but in the State and the country as a whole. In Statuary Hall in the U.S. Capitol are the statues of two outstanding Indians, one of these had risen to next to the highest political office of the United States; namely, the Vice-Presidency. The was none other than Vice President Charles Curtis, a Kaw Indian who retained his allotment of land made to him as an Indian. The other statue is that of the great humorist, Will Rogers, a Cherokee Indian. There are other distinguished Indians who have served in the Congress. At the present time, Congressman BEN REIFEL, of South Dakota, a Sioux Indian, is serving his third term in Congress. The chairman of the task force appointed by Secretary Udall, W. W. Keeler, of Bartlesville, Okla., is a top oil official of the Phillips Petroleum Co. and principal chief of the Cherokee Nation. These are but the names of some of the Indians who have distinguished themselves as leaders in their community.

Often the question has been asked, Who is an Indian. This question has not been definitely answered and defined. Congress has the power so to determine. Some acts of Congress have provided that for certain purposes Indians of less than one-fourth degree of Indian blood shall not be entitled to participate in the benefits of the act. No specific act however has defined who is an Indian.

PERSONAL EXPLANATION

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

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

There was no objection.

Mr. FUQUA. Mr. Speaker, on rollcall No. 163, I was inadvertently detained and was unable to answer to my name. Had I been present I would have voted "yea."

REPUBLICAN FACTFINDING MISSION TO PARIS ON NATO

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. FINDLEY] is recognized for 30 minutes.

Mr. FINDLEY. Mr. Speaker, today a report was made to the Republican conference of the U.S. House of Representatives by the Republican factfinding mission on NATO. The mission consisted of Representative ALEXANDER PIRNIE, of New York, Representative HASTINGS KEITH, of Massachusetts, Representative JAMES D. MARTIN, of Alabama, and myself.

We feel the report deals with a topic of broad interest, and therefore I present its text:

Our intensive series of conferences in Paris—covering the 9-day period, June 11-20—brought forcibly to our attention the vast changes which have occurred in Western Europe since the North Atlantic Treaty Organization was formed in 1949.

The United States then had the urgent task of organizing the defense of Western Europe against the threat of imminent attack. Our allies were ravaged by war and struggling to rebuild. They looked to the United States for leadership and aid, and we provided both.

Now, although the possibility of Soviet attack remains, the situation otherwise is substantially changed. The nations of Europe have rebuilt their economy and are willing and anxious to take a larger responsibility in the alliance.

FUNDAMENTAL BASES OF ALLIANCE HAVE CHANGED

These changes are at the heart of the difficulties in American-European relations. The fundamental bases of the alliance have changed so extensively that a thorough reevaluation of American policy is required.

American difficulties with Europe seem to be concentrated in France. In the United States, President de Gaulle is widely believed to be largely a French phenomenon with aspirations that are uniquely French, and some feel his policies do not even enjoy majority support among his countrymen. These beliefs are erroneous.

True, some of De Gaulle's policies are designed specifically to cope with conditions that are uniquely French. One of his overriding purposes is of course to reinvigorate the spirit of the French nation after the political paralysis and searing experiences of the World War II period. In this, he has been eminently successful.

Yet, for all his political skill, brilliance of leadership, vigor, and fortitude, De Gaulle alone could hardly have inspired the tremendous industrial, scientific and technological effort that has culminated in the nuclear force-de-frappe. Had he not invoked latent forces that were potent and durable, not only in France but also in the rest of Western Europe, the French effort would not have succeeded.

DE GAULLE RIDES POWERFUL CURRENTS

Ever since the breakup of the American nuclear monopoly, dissatisfaction has been rife throughout all of Western Europe. U.S. military, technological, scientific, and economic achievements have caused us to think of European nations as though they were in a secondary position in world affairs. Dissatisfaction by European nations stems from the present NATO structure which forces them to rely under all circumstances upon American strategic capabilities and decisions for the most basic requirements of their national security.

These nations want and of course deserve a larger voice in these vital life-and-death decisions.

Thus De Gaulle is not a lonely anachronism. His policies are not apt to disappear from the world scene when he leaves office.

De Gaulle actually rides powerful currents of opinion which flow throughout all of Western Europe, and the problem posed by his challenge of U.S. policies is only partially to be formulated in exclusively French terms.

France is the leader of the "loyal opposition" in the Alliance, and therefore the forces that now threaten the unity of NATO must first be dealt with in the terms in which they are put by De Gaulle. As long as De Gaulle's objections remain unanswered, American policies throughout Western Europe will remain in difficulty.

The foremost problem is to give substance to the ideal of partnership. We must shift the structure of the Alliance from the leader-follower basis—which was almost inevitable in 1949—to one of true partnership.

The European nations which the United States must now recognize as ready for true partnership are not those of 1949. The years since the war have witnessed the revival of their economies and, more important, the reinvigoration of their intellectual resources and political aspirations.

These nations want to fulfill their roles both in world politics and in science and technology which they have done so much to advance. This determination enlivens the professional and political careers of the rising generation of European managers and scientists.

Instead of viewing this development as an unfortunate challenge to American political and economic leadership of the free world, the United States should welcome it as one of the most hopeful aspects of the entire postwar period.

At no time in history has the need for scientific and technological cooperation been greater than now, when the Communist world strains its resources to gain advantage over the free world.

Moreover, the assumption by European nations of more responsibility for the consummation of common purposes could do more than anything else on the horizon to lighten the burden American taxpayers now bear.

To accomplish this, the United States should be not only willing but eager to make necessary adjustments in its own policies.

It is in this context that the differences between France and the United States must be faced.

Friendships and alliances, between individuals as between nations, cannot thrive in an atmosphere of irritants and counter-irritants.

FRIENDLY GESTURES NEEDED

Gestures of friendship are not signs of weakness. President Theodore Roosevelt once said, "Magnanimity is more becoming in the strong than in the weak." If this be true, any overtures of friendship in this hour of America's greatest power will be warmly received. Arbitrary positions should be avoided if the United States is to escape the charge of trying to dominate its friends instead of cooperating with them.

It has taken many years to develop Franco-American friendship, but considering the impact of today's press, radio, and television, the goodwill of centuries can be destroyed in a very brief period. Any tendency to procrastinate in the handling of common problems by France and the United States can lead only to deterioration of the climate for successful negotiation.

If it is wise to attempt to ease tensions with the Communist world, is it less so with a friend and ally?

Together France and the United States—and, in fact all of the countries of the Alli-

ance—should press the search for adequate and constructive solutions. The past of neither nation is free of errors. It is in our common interest not to perpetuate these errors but to learn from them.

The conduct of our two nations reflects the national purposes of each, and it is important that differing aspirations be fully and sympathetically considered. When nations agree on a goal but undertake differing ways of reaching it, reconciliation of these divergent approaches should always be possible.

France and the United States have been friends for nearly two centuries. Every French child learns in school that the United States is the one major nation that has never been France's enemy but always its friend. France provided us with crucial aid in our War for Independence. In turn, our success inspired the French Revolution.

France and the United States have fought shoulder to shoulder in two world conflicts in this century. Ties formed of common peril should not be broken by pettiness or neglect.

Absolute agreement on all points is not a requisite of friendship between individuals, nor should it be expected between nations. Honest efforts to search out and understand these points of difference, followed by fair appraisal of their impact, would, in the view of our mission, lead to surprising reduction of these areas of disagreement.

EFFORTS MUST BE COORDINATED IN PEACETIME

NATO's real unifying power should not be reserved only for time of war. The zeal to defend falls and the spirit of independence rises naturally enough as a common threat appears to diminish. This can be dangerous—perhaps fatal—because in the nuclear age a threat of enormous proportions can be mounted in a very brief time.

If freedom is to survive, the spirit of NATO must be preserved and strengthened.

It is essential that NATO members develop a new level of peacetime coordination of effort. This must take account of changed conditions, accord full stature to each member nation, recognize the national character and needs of each, and yet keep strong the basic purpose of common defense.

NATO has protected the free world for a decade and a half.

The United States supplied the strength to accomplish NATO's mission at a time when it alone could do so. The other members of the alliance, with our help, have restored their economies and their political systems and are now able to share increased responsibility. The NATO Charter affords wide latitude to adapt to these changed conditions.

The formula for this sharing must be developed with fairness and objectivity, emphasizing full partnership in technological research and development, procurement and financing, and nuclear decisionmaking.

The formula can and must be found. Our report is intended as a contribution to the search.

THE NEED FOR FULLER PARTNERSHIP

It was logical in 1949 for the United States to play the dominant role in the leadership of the NATO alliance. It is true that we still contribute the largest part of the NATO forces and, in effect, have the biggest battalions as represented by our nuclear armory. But, the renewed strength—largely in the presence of a French nuclear capability—of our European allies suggests that they are now ready to assume a larger share in the responsibilities of the alliance.

We welcome this increased capability and we should recognize the contributions our European partners can make and should gladly grant them more responsible roles in the alliance. This then calls for a fuller partnership than has previously existed.

This fuller partnership should involve action at two levels. In the first place, Franco-

American relations should be conducted in an atmosphere of greater cordiality. Secondly, U.S. policies within NATO must be modified to demonstrate more obviously our belief in the interdependency of the partnership. The first must necessarily precede the second, and the specific recommendations which follow are aimed directly at the improvement of the climate between France and the United States. But, in the last analysis, the crucial question is the effectiveness of NATO, and it is here that the major American effort must be made.

Probably the most crucial and certainly the most vexing area in which our partnership could be improved is in the matter of nuclear weapons. The United States has had a special relationship with Great Britain for some years that is based on British advances in nuclear technology. But at the same time the United States has perhaps discouraged French efforts to achieve a similar nuclear capability. While there are perfectly sound reasons for attempts at the limitation of nuclear proliferation, the United States must now admit that its efforts in this regard were not successful. France has become a nuclear power in its own right without any effective assistance from the United States. It now insists upon being treated as a full-fledged member of the nuclear club.

The time has long passed, it would seem, in which any advantage accrues to the United States from a hostile, suspicious, and critical attitude toward French nuclear capability. However small the force-de-frappe may be compared with that of the United States, it is completely committed to the defense of the free world, and in the spirit of the traditional links between Paris and Washington, the United States should actively seek an understanding that will unite the two capabilities for a common purpose. A denial of the needs of France for industrial support in perfecting its nuclear arm has proven unwise. Failure to cooperate now could further erode the links that tie France to the Atlantic Alliance. No task is more urgent than reaching some understanding with France on nuclear matters.

Once Franco-American relations have been improved, the broader problems of alliance structure can be considered. There are a number of explicit aspects of true partnership that should be considered in any new U.S. effort.

TRUE PARTNERSHIP IN TECHNOLOGY

First on the list is science and technology. A way must be found to bring together the vast scientific and technological resources of the entire Atlantic community.

Any U.S. policy that deprives our Nation of the fruits of the work of the many brilliant scientists of Europe is unwise.

Achieving a workable level of partnership is not an easy task. The U.S. Atomic Energy Act interposes a major barrier to NATO scientific cooperation, as do also a formidable network of security restrictions and classifications. But the difficulty of the task in no way reduces its importance, and an attack on the problem should be made at once.

TRUE PARTNERSHIP IN MILITARY PROCUREMENT

Europeans generally question—and many resent—the recent accelerated effort by the United States to market arms and military equipment in Europe. The United States enjoys obvious competitive advantages in this field, and if it were to make a serious sustained effort it might all but monopolize the arms market in Europe.

Although from one point of view this might seem a desirable outcome, it would undoubtedly produce a harvest of concern, consternation, and bitterness in Europe and thus place a very heavy strain on the alliance.

It defies common sense to employ American strength in a manner which weakens

America's allies. The consequences of aggressive merchandising of munitions are not only economic, but also psychological and scientific.

Deprived of the economic opportunity to experiment and develop new principles and new systems, the intellectual resources of a nation which becomes completely dependent upon American military equipment will tend to dry up. Europeans are aware of the scientific revolution and they realize the areas of weapons development are also areas of enormous scientific promise. Exclusion from these fields would strike deep at national pride and self-respect as well as stultify the scientific climate in any country so affected. A frequently expressed French view is that France should build at least one prototype of every new weapon system just for the scientific and technological gain from the effort.

The United States should get to work without delay to develop in coordination with its allies a NATO-wide system of military procurement that will assure the participation of each member on a level commensurate with resources. Implicit in this effort is a balance between, on the one hand, the political and psychological advantage of full participation and, on the other, the economic and ideological advantage of a market system that is competitive and therefore efficient.

TRUE PARTNERSHIP IN MAKING DECISIONS AND SHARING COSTS

A basic disagreement within NATO today concerns the European desire to participate more effectively in making decisions especially in the employment of nuclear weapons, both tactical and strategic—and on the other hand, the American wish to have the nations of Europe share, to a much greater extent, in the costs of the elaborate and expensive structure of defense.

True partnership presently exists in neither field. And we must recognize that the attainment of partnership in one is impossible without attaining it in the other as well.

The United States owns—and commands—approximately 96 percent of the nuclear weapons in the Atlantic community. These provide the principal deterrent against Soviet nuclear capability. The President of the United States alone decides if and when these weapons will be used in combat. The French claim they cannot be expected to trust their security ultimately to the willingness of our President to commit the United States to a nuclear war for the defense of France. This is one of the factors that complicates Franco-American relations.

The U.S. nuclear strategic system is costly, accounting for a substantial part of our billion-dollars-a-week outlay for military purposes. In view of the fact that a major portion of American strategic capability is committed to the defense of Europe, what are the chances, Americans ask, of persuading the peoples of Europe to assume a larger share in the cost of this defense?

The answer is simple: there is no chance at all unless the nations of Europe also share in a more meaningful way in the decisions about how these weapons will be made and used. Under present policy, as a matter of fact, it is probable that the U.S. proportion of cost would tend to grow even larger in the years ahead.

The choices facing the United States are clear:

1. Continue along present lines, seeking to maintain exclusive control of the main weapons and paying an increasingly large share of the cost of Western Defense—with a consequent weakening of our alliance bonds.

2. Cut back the level of defense expenditures arbitrarily—and risk the dangers of Soviet dominance—an alternative no one seriously advocates.

3. Work out with our allies a method of sharing both decisionmaking and costs for at least some of the major weapon systems.

Partnership decisionmaking and cost sharing is an extremely complex concept, and much careful study is required before any formal arrangements can be reached. But one idea seems to emerge in every proposal so far advanced—some version of a directorate.

Whether such a directorate should consist of the nuclear powers alone, as President de Gaulle insists, or whether it should also include the major nonnuclear states of NATO as well—or, indeed, whether the smaller members should also participate—are matters that cannot be quickly decided.

But it seems beyond doubt that a fuller partnership in decisions and costs is the only viable alternative to a number of unpleasant costly, and possibly dangerous consequences for the United States and its allies.

CONCLUSIONS

Based on our factfinding study, our mission feels these measures would be helpful:

UNILATERAL ACTIONS THE UNITED STATES COULD TAKE

We suggest the following unilateral actions be undertaken by the United States in order to alleviate some of the most pressing difficulties of the Atlantic Alliance:

1. Recognize the fact that France is a nuclear power, whether we like it or not. Nuclear proliferation of course carries grave danger, but the time for arguing whether this is good or bad in the case of France is long past.

In time, the true partnership in technology and weapons control—which this NATO mission advocates—should diminish the desire for separate national nuclear forces. Meanwhile, the United States should immediately reexamine its policy on technological and scientific cooperation. We should take full advantage of any discretionary provisions of our Atomic Energy Act, and if need be amend it, to the end that the nuclear capabilities of France and the United States may be fully coordinated.

2. Clarify our policy with respect to employment of nuclear weapons in the defense of Europe, with the intent of removing all doubt and uneasiness as to our response in the event of an attack on Western Europe. The concern of Europeans is twofold: they want to make sure our policy provides adequate protection; at the same time they do not wish to be engulfed in a nuclear war needlessly. Several U.S. pronouncements have been made on this subject, but some have been ambiguous and contradictory.

The matter is too important to be left unclear. We should reaffirm our determination to participate fully in the joint defense of Europe, and at the same time declare our desire to work out a means for more fully sharing decisionmaking with our allies.

3. Propose the establishment of a Diplomatic Standing Group, with each nation represented. It would aid the NATO Council in political matters in much the same way the Military Standing Group now aids the Council in military affairs. It would stay in continuous session, serving as an information and discussion center for day-by-day review of worldwide policies and developments. Its purpose would be to promote the greatest possible understanding and unity on matters involving areas beyond the military scope of NATO. The Standing Group would give recognition to the French proposal of 1958 which called for a three-nation "directoriate" to coordinate global Western policies, and to Secretary McNamara's suggestion of a select committee of four or five nations to provide greater allied participation in NATO planning.

4. Demonstrate our continuing friendship for France. The most impressive demonstration would be a trip to Europe by the

President of the United States for the single purpose of visiting the French President. The recent call on President de Gaulle by the U.S. Vice President was a helpful gesture, but a person-to-person discussion between heads of state has no adequate substitute. The Presidents of France and the United States have not had much consultation with each other for 5 eventful years.

FIRST STEP TOWARD TRUE PARTNERSHIP

As the first step in progressing from the present leader-follower basis in the Atlantic alliance to one of fuller partnership, our mission suggests a top-level planning conference consisting of a select few, highly qualified, and distinguished representatives from each of NATO's 15 member nations.

This group would be charged with developing, at the earliest possible date, a detailed plan for the establishment of a fuller partnership among NATO nations in (a) technological research and development; (b) military procurement; (c) financing of defense; and, (d) strategic decisionmaking. They would be free to use their own best judgment in formulating details.

Upon completion of deliberations, the plan would then be referred to the individual nations for full discussion and appropriate policy decision.

THE ATLANTIC REQUIRES IMMEDIATE ATTENTION

The Atlantic is neglected. It must have immediate attention.

The North Atlantic Treaty Organization—the free world's most essential institution—is in troubled waters. New currents run strong and deep. They already influence the course of our own Ship of State, and they grow in power. Because they run deep they cause scarcely a whitecap on the surface and consequently go largely unnoticed.

They have no high and crashing breakers like those which presently monopolize official attention in Vietnam and in the far Pacific area, but they are nonetheless formidable.

Neglected, these powerful new currents could multiply the perils which lie ahead. Recognized and accommodated, they could make our course—and the course of all who cherish freedom—safer, easier, and more certain.

CHRONOLOGY OF THE FACTFINDING MISSION (By Representative FINDLEY)

Pretrip preparation included personal conferences with former President Eisenhower at Gettysburg, former Vice President Nixon at New York, various officials of the State Department and Defense Department and French Embassy.

The mission invited comments and suggestions from a number of leaders in government and foreign policy, together with former officials of the North Atlantic Treaty Organization. Prior to departure for Paris, more than 100 helpful responses were received and evaluated.

Dr. Robert Strausz-Hupé, director of the Foreign Policy Research Institute, University of Pennsylvania, served as consultant to our mission, and was in Paris June 1-8 making contacts and arrangements in preparation for our arrival. With fine cooperation of American Embassy and NATO officials, he detailed in advance an excellent schedule of appointments and also provided us with very helpful agenda suggestions for our discussion.

Our mission consisted of Representative ALEXANDER PRINIE, of New York, Representative HASTINGS KEITH, of Massachusetts, Representative JAMES D. MARTIN, of Alabama, and myself. These were drawn from the House Republican Committee on NATO and the Atlantic Community, which has been in operation for the past 2 years. Accompanying the mission were Dr. Charles O.

Lerche, Jr., newly appointed dean of the School of International Service, American University, Washington, D.C., who has been employed for the summer as foreign policy consultant by the House Republican Conference, and Mr. John A. Mathews, a retired military officer and member of my staff who devotes his time exclusively to NATO affairs.

All seven of us worked in close consultation in preparing the report, in keeping with the closely coordinated relationship maintained throughout the mission.

Representative PIRNIE brought to the mission valuable experience he had gained as a member of the Armed Services Committee of the House of Representatives and as vice president of the U.S. delegation to the Inter-parliamentary Union.

Recognized widely as a leader in military affairs, he has a personal acquaintance with many NATO officials, and this acquaintance proved to be very helpful in the work of the mission.

Representative KERR, like Representative PIRNIE, has been an active member of the House Committee on NATO and the Atlantic Community since it was organized 2 years ago, and he has assumed leadership in several important committee projects, including the Paris factfinding trip. His extensive experience in World War II in France and in several other nations now in NATO, plus the special study of NATO military affairs he has undertaken in recent years, gave him excellent resources for this project.

Representative MARTIN, in his first year in the House of Representatives, has already won wide recognition for his extensive knowledge in foreign policy problems and perceptive analysis of policy trends. We were, therefore, especially gratified that he accepted a part in the fact-finding mission and assumed such an important role in it. He took a leading part in all of the conferences both in Paris and in the United States, and contributed greatly to the substance and clarity of our report.

Each of them worked diligently in the arduous and vital task of preparing the report, which we trust and hope will be helpful to our Government in its efforts to keep NATO strong.

In Paris we followed very carefully these ground rules:

While on foreign soil, no comments to the press or otherwise which could be interpreted as being critical of either the French administration or the U.S. administration; no public discussion of any of the topics, findings, or conclusions developing from our conferences; no attribution for remarks or ideas presented during our discussions with French and NATO officials, then or at any time in the future.

Notes were taken during the conferences, and additional impressions were later dictated. Consequently, the record of conferences is full and it will provide a valuable source of material for the future work of the House Republican Committee on NATO, the Atlantic Community (and, hopefully, the committees of the Congress) and other interested organizations.

A summary of the findings is available upon request.

Travel was by commercial airliner—economy class—and no Government funds were used for any expenses of the mission.

Without exception we found the NATO and French officials, and others with whom we consulted, to be warm, cordial, and anxious to be helpful. The American Embassy and officials of NATO were cooperative in every respect.

French officials seemed to welcome the opportunity to discuss Franco-American relations and the problems of the Atlantic Alliance. Conferences scheduled for 1 hour usually stretched into 2, and 2-hour conferences into 3.

CHRONOLOGY OF CONFERENCES AND OTHER EVENTS

Friday, June 11 (arrival day), private conference with Gen. Lyman L. Lemnitzer, NATO's Supreme Allied Commander, Europe; followed by a 2-hour briefing and full discussion with General Lemnitzer and his staff on the military structure and purpose of NATO.

Participating, in addition to General Lemnitzer: Gen. T. W. Parker, Chief of Staff; Lt. Gen. P. Montjamont, Deputy Chief of Staff for Logistics and Administration; Lt. Gen. W. Baudissin, Deputy Chief of Staff for Plans and Operations; Maj. Gen. A. U. Nielsen, Assistant Chief of Staff for Operations; Maj. Gen. J. Garot, Assistant Chief of Staff for Plans and Policy; Maj. Gen. J. M. F. Gavin, Assistant Chief of Staff for Intelligence.

Same day, participated in wreath-laying ceremony at Invalides honoring first American fatally wounded in the liberation of Paris.

Saturday, June 12, conference with NATO's Secretary-General, Manlio Brosio of Italy. Also present, one of his personal aids, William Canup. General di Martino of Italy, a NATO officer, participated in the last part of the discussion.

Sunday, June 13, participated in wreath laying at the Tomb of the Unknown Soldier under the Arch of Triumph, sponsored by the Paris Post of the American Legion.

Monday, June 14, conference with U.S. Ambassador to France Charles E. Bohlen. Also attending was Mr. Ralph McGuire, his assistant for political and military affairs; conference with U.S. Ambassador to NATO Thomas K. Finletter and Mr. Michael Newlin, his assistant for political affairs.

Evening reception and dinner at the home of Gen. Pierre M. Gallois. Also attending: Senator Jacques Baumel, general secretary of majority party; M. Jean-Daniel Jurgenson, head of American desk, Foreign Affairs Ministry; Colonel Chesnaux, air representative to President de Gaulle; M. de Lepowski, vice president of Foreign Affairs Committee, Chamber of Deputies; M. Charles de Chambrun, member of Chamber of Deputies, Center Democratic Party; M. Christian de la Malène, member of Chamber of Deputies, former Minister of Information.

Tuesday, June 15, conference with Dr. W. Baron Michiels van Kessenich, mayor of Maastricht, the Netherlands, who came to Paris especially to confer with the mission. Luncheon, sponsored by former Ambassador Walter Dowling, Director General of the Atlantic Institute; attending: Mr. A. E. M. Duynstee of the Netherlands and representative in the Council of Europe; M. Francois Fontaine of France, member of the Monnet Committee and Director of the European Community Information Bureau in Paris; M. Etienne Hirsch of France, former president of the Euratom Commission; M. Serge Hurtig of France, professor at the Study Center for International Relations; M. Lucien Radoux of Belgium, member of the Parliament of Europe and Director of the European Foundation for International Exchange; M. Andre Felix Rossi of France, member, Chamber of Deputies; M. Pierre Uri, Mr. John Newhouse, and Mr. Joseph Harned of the Atlantic Institute staff.

Conference with Gen. Jean Crepin, commander in chief of the Central Europe Command, NATO.

Dinner sponsored by the French Association for the Atlantic Community; attending: Senator Georges Portmann, M. Alain Montmoreau, French Deputy Joel le Theule, former Deputy Pierre Mahias, M. Pierre Emanuelli, and M. Alfred Coate-Floret. Later in the evening, a conference with the Association's Study Commission of the Problems of the Atlantic Alliance; attending, in addition to those at the dinner: M.

Robert Abdesselam, M. Raymond de Palasy, General Carpentier, M. Jean-Marie Lebreton, General Leroy, M. Jean Mersch, Admiral O'Neill, M. Pierre-André Simon, and M. Bertrand Labouerie.

Wednesday, June 16, conference at French Foreign Ministry with M. Jean-Danielle Jurgenson, head of the American Desk and his staff.

Conference with Gen. Andre Beaufré, director of the French Institute of Strategic Studies, and his staff.

Conference with Defense Minister M. Pierre Messmer at the Defense Ministry.

Dinner sponsored by M. Jurgenson, attending: M. Edmond Giscard d'Estaing, M. Arnaud Wapler, M. de la Grandville, both of the Foreign Office; Gen. Pierre Billotte, M. de Bratillat; and Mr. Funkhouser and Mr. McGuire of the U.S. Embassy.

Thursday, June 17, conference with Gen. Jacob E. Smart, chief of staff to General Lemnitzer, in his secondary role as commander in chief, U.S. European Command.

Conference with M. Jacques Vernant, director of the Center for Foreign Policy Studies, and members of his staff; attending: former Ambassador Henri Bonnet, Prof. Léo Hamon, M. Philippe Devillers, Captain Eyrand, Commander Lechat, and General Gallois.

Conference with M. Dioméde Catroux, former Minister for Air and later for Armament.

Reception given by Mr. Clement Brown, president of Olin-Mathieson International; attending: Mr. Norbert Baillen, Rexall Drug; Mr. Harvey Gerry, First National City Bank; Mr. George Hook, Armco International; Mr. Horton Kennedy, Morgan Guaranty; Mr. Edouard Eilers, Chase Manhattan; Mr. Ed Tuck, Shearman and Sterling; Mr. Scudder Meersman, Bank of America; Mr. Charles de Limur, Bankers Trust; Mr. W. Nichols, Morgan Guaranty; Prince Marc de Beauvau-Craon, French Administrator; M. Alain Du Breil, Olin-Mathieson; M. Fred Aftalion, French Society of Synthetic Organics; and several officials from the U.S. Embassy.

Friday, June 18, luncheon conference hosted by France-Amerique; attending: M. Edmond Giscard d'Estaing, president of the International Chamber of Commerce; M. Jacques Chastenot of French Academy of Moral and Political Sciences; M. Henri Bonnet, former French Ambassador to United States; M. Gillion Georges-Picot, former French Ambassador to United Nations; Marquis de Messey; Baron Christian de Waldner; M. Jean Delorme; Colonel Brunshwig.

Conference with the Belgian, Canadian and Netherlands Permanent Representatives to NATO.

Conference with French Foreign Minister M. Maurice Couve de Murville at the Foreign Ministry.

Conference with M. Maurice Schumann, president of the Committee on Foreign Affairs of the Chamber of Deputies.

Saturday, June 19, final conference with Secretary-General Brosio at NATO headquarters.

U.S. CATTLEMEN NEED GREATER EXPORT OUTLETS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Montana [Mr. OLSEN] is recognized for 15 minutes.

Mr. OLSEN of Montana. Mr. Speaker, cattle and meat products make up one-third of our annual farm income in the United States, but unlike our other major agricultural commodities they do not contribute a proportionate share to our world food supply.

Sales of U.S. farm products are running at about \$36.5 billion a year. Of

this total, livestock marketings account for approximately \$12 billion. Yet, only 3 percent of our livestock receipts come from export sales. In contrast, we exported almost half of our 1964 wheat production.

Our exports of livestock products amounted to only \$364 million in 1963. This is small in comparison to the \$6 billion plus for our total agricultural exports of that year.

As a recent report of the House Committee on Agriculture said, "Before a hungry world, our agriculture is America's greatest success story." This Nation has long since conquered the problem of man's basic need—food and fiber—while other nations are still struggling against starvation.

Our farming know-how in the United States is surpassed by none. One farm worker in America produces enough food for 31 persons. This compares with 10 persons for the European farm worker and 5 for Russia. For our outstanding efficiency we can credit the partnership of our Government, the land-grant colleges, the experiment stations, industrial research, independent farmers, and a free agricultural press.

Demands for America's ever-growing abundance will increase. Population growth is outpacing the inefficient food production in many nations. Predictions are that our world population will increase from the present 3 billion to 4 billion by the year 1980. We will need to bend every resource to supply our Nation and supplement the meager supplies of less fortunate nations.

We no longer subscribe to the theory that war and disease are necessary to limit population to world food supplies. On the contrary, we are making progress in our valiant efforts to eliminate the blight of disease and the scourge of war. If hunger is to be conquered in the world, America must show the way. We, in America, must be both humble and wise with our abundance.

But while much of the world is hungry, the American farmer is struggling with a problem of overabundance. We are the victims of our own efficiency. Surpluses here at home have depressed our farm income. Fewer than 400,000 of our 3½ million farmers in the United States earn an income comparable to that of a skilled industrial worker or a return on their investment of as much as 5 percent.

I do not propose that we give our products away, as a solution to our dilemma, nor that we further depress our farm income by insisting that only the farmer shall be his brother's keeper. I believe there are other better solutions.

Most of my own farm interests have to do with livestock production and marketing. Therefore, I can say that the rancher wants no Government subsidy. Rather, he wants a steady market for his products both at home and abroad. He wants cooperation in protecting his home market and in reaching foreign markets that need his products.

I doubt that there exists a greater independence of thought or action than that which springs from our great western plains. This spirit made possible

the uniting of our States with railroads and fostered the development of our cattle markets and meat-processing plants.

When foreign beef imports threatened our domestic markets a few months ago, the cattlemen dug in their spurs and surprised the Nation's lawmakers with their fight and tenacity. They succeeded in cutting down this factor that was depressing their beef markets. This was an action of a breed of Americans that has built an industry with fierce pride and determination.

With all their independence, stockmen are progressive. They have done much to improve their market product. They have built quality into their herds and have taken advantage of research in breeding and nutrition coming out of the experiment stations. They are marketing the kind of meat consumers are demanding.

The livestock industry has developed marketing cooperatives in recent years, which I feel deserve more support and recognition than have been given them. These livestock cooperatives have kept a steady flow of animals coming from the plains to the feedlots worth \$2 billion a year.

We in the livestock industry are not unmindful of the cooperation the Government has given us in working with our problems. I am thinking of the important steps taken by the Government when serious price declines hit our cattle markets last year.

A special meat merchandising and promotion program was launched in cooperation with the food and packing industries. Food retailers report beef sales up from 8 to 20 percent over last year. And our per capita beef consumption has climbed to the record of 100 pounds a year.

A special beef purchasing program for school lunches and needy families was begun. The Department of Defense increased its purchases for overseas needs. All these actions helped cut our oversupply of beef.

Voluntary agreements were reached with major beef importers whereby their shipments were cut back to a volume recommended by cattlemen, ranchers, and feeders. So we have taken steps to improve our domestic markets.

There are foreign markets for our meat to be had if we can find ways of reaching them. I am not discouraged with recent negotiations involving the European Common Market. I realize the fragile nature of such negotiations and the impact they may have on world trade in general. But our efforts do provide much hope for the future.

The United States is making strenuous efforts through established trade channels to liberalize conditions for the entry of our beef into Western Europe and other world markets. We seem now to be awakening to the possibilities of further expansion in exports of livestock and livestock products. Our promotion efforts in Western Europe where we are showing our meat products at foreign trade fairs are encouraging. We are discovering that European housewives are attracted by the quality of American beef.

There is a growing demand for American beef in Europe. And we are finding that we can compete price-wise in the food markets in both England and France.

There are growing indications that we have a potential for both live animals and dressed beef in Europe. We are making shipments of live cattle to Italy. Perhaps we can regain and increase the exports of live cattle we once enjoyed. We are told that the potential market for U.S. beef in Europe is 400 million pounds a year. Japan is a major customer for our agricultural products. Through cooperative efforts of the American Dairy Association and the Government, the Japanese are developing a taste for milk and dairy products. Perhaps we can do as much for beef.

It is encouraging to note the increasing interest of Congress in our agricultural economy. We strongly urge both the executive and legislative branches to give more attention to agricultural price structures as they relate to the livestock industry. We need to remove some of the transportation barriers to foreign shipments of our agricultural products. For example, trans-Atlantic shipping rates are twice as high outbound as those inbound.

I understand that, as a result of an inquiry on ocean shipping rates on beef made by the Senate Small Business Committee, American-flag ship lines may reduce rates on export beef to Europe by 25 percent. These are steps of progress, but we must take more.

Secretary of Agriculture Freeman has recently announced that an agricultural export market of \$8 billion a year is in sight. As a Congressman representing cattle producers, I pledge my best efforts to the end that U.S. stockmen may obtain their proportionate share of this export business.

DISTRICT OF COLUMBIA APPROPRIATIONS, 1966

Mr. NATCHER submitted a conference report and statement on the bill (H.R. 6453) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1966, and for other purposes.

LEAVE OF ABSENCE

Mr. ADDABBO (at the request of Mr. MULTER), for Wednesday, June 30, 1965, on account of illness in family.

Mr. POOL, for July 1, 1965, on account of important business in Texas.

MS. MAY (at the request of GERALD R. FORD), for the week of July 6, 1965, on account of commission meeting of the National Commission on Food Marketing in San Francisco, Calif.

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. OLSEN of Montana (at the request of Mr. FOLEY), for 15 minutes, today;

and to revise and extend his remarks and include extraneous matter.

Mr. FEIGHAN (at the request of Mr. FOLEY), for 10 minutes, on Thursday, July 1, 1965; and to revise and extend his remarks and include extraneous matter.

Mr. FINDLEY (at the request of Mr. TALCOTT), for 30 minutes, today; and to revise and extend his remarks and include extraneous matter.

Mr. ASHBROOK (at the request of Mr. TALCOTT), for 30 minutes, today; and to revise and extend his remarks and include extraneous matter.

Mr. RYAN, for 15 minutes, today; and to revise and extend his remarks and include extraneous matter.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks was granted to:

(The following Members (at the request of Mr. TALCOTT) and to include extraneous matter:)

Mr. HANSEN of Idaho.

Mr. HALL.

Mr. TALCOTT.

Mr. GOODELL.

Mr. CAHILL.

(The following Member (at the request of Mr. FOLEY) and to include extraneous matter:)

Mr. MULTER.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 3415. An act to equalize certain penalties in the Intercoastal Shipping Act, 1933;

H.R. 4493. An act to continue until the close of June 30, 1967, the existing suspension of duties for metal scrap;

H.R. 4525. An act to amend the Merchant Marine Act, 1936, to provide for the continuation of authority to develop American-flag carriers and promote the foreign commerce of the United States through the use of mobile trade fairs;

H.R. 5283. An act to provide for the inclusion of years of service as judge of the District Court for the Territory of Alaska in the computation of years of Federal judicial service for judges of the U.S. District Court for the District of Alaska;

H.R. 7105. An act to provide for continuation of authority for regulation of exports, and for other purposes;

H.R. 8131. An act to extend the Juvenile Delinquency and Youth Offenses Control Act of 1961; and

H.R. 8147. An act to amend the Tariff Schedules of the United States with respect to the exemption from duty for returning residents, and for other purposes.

ADJOURNMENT

Mr. FOLEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 47 minutes p.m.) the House adjourned until tomorrow, Thursday, July 1, 1965, 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:

1292. A letter from the Acting Comptroller General of the United States, transmitting a report of ineffective and inefficient administration of the training of foreign personnel under the military assistance program in a foreign country, Department of Defense; to the Committee on Government Operations.

1293. A letter from the Assistant Secretary, Export-Import Bank of Washington, transmitting a report of the issuance of a guarantee in connection with a contract of sale covering the export of three bevel gear manufacturing machines to Yugoslavia, pursuant to title III of the Foreign Assistance and Related Agencies Appropriation Act of 1965; to the Committee on Foreign Affairs.

1294. A letter from the Acting Comptroller General of the United States, transmitting a report of erroneous dislocation allowance payments to military personnel who moved their house trailers at Government expense, Department of Defense; to the Committee on Government Operations.

1295. A letter from the General Counsel, Pacific Tropical Botanical Garden, transmitting Pacific Tropical Botanical Garden financial statements for the period August 19, 1964, to December 31, 1964, pursuant to section 10(b) of Public Law 88-449; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. CELLER: Committee of conference. Conference report on S.J. Res. 1. Joint resolution proposing an amendment to the Constitution of the United States relating to succession to the Presidency and Vice-Presidency and to cases where the President is unable to discharge the powers and duties of his office; without amendment (Rept. No. 564). And ordered to be printed.

Mr. CELLER: Committee on the Judiciary. Report on State taxation of interstate commerce; without amendment (Rept. No. 565). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 3320. A bill to authorize the establishment of the Hubbell Trading Post National Historic Site, in the State of Arizona, and for other purposes; with amendments (Rept. No. 566). Referred to the Committee of the Whole House on the State of the Union.

Mr. HOLIFIELD: Joint Committee on Atomic Energy. H.R. 8856. A bill to amend section 271 of the Atomic Energy Act of 1954, as amended; without amendment (Rept. No. 567). Referred to the Committee of the Whole House on the State of the Union.

Mr. NATCHER: Committee of conference. Conference report on H.R. 6453. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1966, and for other purposes; without amendment (Rept. No. 568). And ordered to be printed.

Mr. KING of Utah: Committee on Interior and Insular Affairs. H.R. 6280. A bill authorizing the establishment of the Golden Spike National Monument in the State of Utah; with an amendment (Rept. No. 569). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLS: Committee of conference. H.R. 8147. An act to amend the tariff schedules of the United States with respect to the exemption from duty for returning residents, and for other purposes; without amendment (Rept. No. 570). And ordered to be printed.

Mr. COOLEY: Committee on Agriculture. H.R. 9497. A bill to extend the time for conducting the referendum with respect to the national marketing quota for wheat for the marketing year beginning July 1, 1966; without amendment (Rept. No. 571). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON of Tennessee:

H.R. 9563. A bill to amend the act entitled "An act to promote the safety of employees and travelers upon railroads by limiting the hours of service of employees thereon," approved March 4, 1907; to the Committee on Interstate and Foreign Commerce.

H.R. 9564. A bill to amend title II of the Social Security Act to provide that a survivor beneficiary shall not lose his or her entitlement to benefits by reason of a marriage or remarriage which occurs after he or she attains the age of 62; to the Committee on Ways and Means.

By Mr. ASHLEY (by request):

H.R. 9565. A bill to amend title II of the Social Security Act to increase minimum benefits to \$100 and maximum benefits to \$200, with additional future increases based on rises in the cost of living; to provide full retirement benefits at age 60 for men and 55 for women; to eliminate the age requirements for wife's and widow's benefits; and to provide child's benefits beyond age 18 in the case of a child attending school; to the Committee on Ways and Means.

By Mr. GARMATZ:

H.R. 9566. A bill to amend the act entitled "An act to promote the safety of employees and travelers upon railroads by limiting the hours of service of employees thereon," approved March 4, 1907; to the Committee on Interstate and Foreign Commerce.

By Mrs. GREEN of Oregon:

H.R. 9567. A bill to strengthen the educational resources of our colleges and universities and to provide financial assistance for students in postsecondary and higher education; to the Committee on Education and Labor.

By Mr. HELSTOSKI:

H.R. 9568. A bill to amend the Public Health Service Act to improve the educational quality of schools of medicine, dentistry, optometry, and osteopathy, to authorize grants under that act to such schools for the awarding of scholarships to needy students, and to extend expiring provisions of that act for student loans and for aid in construction of teaching facilities for students in such schools and schools for other health professions, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 9569. A bill to amend the Internal Revenue Code of 1954 to authorize and facilitate the deduction from gross income by teachers of the expenses of education (including certain travel) undertaken by them, and to provide a uniform method of proving entitlement to such deduction; to the Committee on Ways and Means.

By Mr. JENNINGS:

H.R. 9570. A bill to amend the Federal Firearms Act to authorize the Secretary of the Treasury to relieve applicants from certain provisions of the act if he determines

that the granting of relief would not be contrary to the public interest, and that the applicant would not be likely to conduct his operations in an unlawful manner; to the Committee on Ways and Means.

By Mr. JOELSON:

H.R. 9571. A bill to amend title II of the War Claims Act of 1948 to provide compensation for certain World War II losses in France; to the Committee on Interstate and Foreign Commerce.

By Mr. ULLMAN:

H.R. 9572. A bill to amend the Internal Revenue Code of 1954 to authorize refunds of gasoline taxes directly to aerial applicators with respect to gasoline used by them in providing services to farmers in farming operations; to the Committee on Ways and Means.

By Mr. WRIGHT:

H.R. 9573. A bill to provide for participation of the United States in the HemisFair 1968 Exposition to be held at San Antonio, Tex., in 1968, and for other purposes; to the Committee on Foreign Affairs.

By Mr. ASHBROOK:

H.R. 9574. A bill prohibiting use in the commission of certain crimes of firearms transported in interstate commerce; to the Committee on the Judiciary.

H.R. 9575. A bill to amend the Federal Firearms Act; to the Committee on Ways and Means.

By Mr. ADAIR:

H.R. 9576. A bill to amend title II of the Social Security Act to increase from \$1,200 to \$3,000 the amount of outside earnings permitted each year without deductions from benefits thereunder; to the Committee on Ways and Means.

H.R. 9577. A bill to amend the Internal Revenue Code of 1954 to allow a credit against income tax to individuals for certain expenses incurred in providing higher education; to the Committee on Ways and Means.

By Mr. DANIELS:

H.R. 9578. A bill to provide for the establishment of the Hudson National Scenic Riverway in the States of New York and New Jersey, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. FOGARTY:

H.R. 9579. A bill to provide for the establishment of the National Foundation on the Arts and the Humanities to promote progress and scholarship in the humanities and the arts in the United States, and for other purposes; to the Committee on Education and Labor.

By Mr. FOLEY:

H.R. 9580. A bill to amend section 1(14) (a) of the Interstate Commerce Act to insure the adequacy of the national railroad freight car supply, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. MAILLIARD:

H.R. 9581. A bill to amend the Shipping Act, 1916, and the Ship Mortgage Act, 1920, relating to certain mortgages, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. PRICE:

H.R. 9582. A bill granting the consent and approval of Congress to the Illinois-Indiana air pollution control compact; to the Committee on the Judiciary.

By Mr. ST GERMAIN:

H.R. 9583. A bill to amend the act entitled "An act to promote the safety of employees and travelers upon railroads by limiting the hours of service of employees thereon," approved March 4, 1907; to the Committee on Interstate and Foreign Commerce.

By Mr. STAGGERS:

H.R. 9584. A bill to provide for the establishment of the Spruce Knob-Seneca Rocks National Recreation Area, in the State of West Virginia, and for other purposes; to the Committee on Agriculture.

H.R. 9585. A bill to provide for the establishment and administration of the Alle-

gheny Parkway in the States of West Virginia, Virginia, Kentucky, and Maryland, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. YATES:

H.R. 9586. A bill granting the consent and approval of Congress to the Illinois-Indiana air pollution control compact; to the Committee on the Judiciary.

By Mr. GRIFFIN:

H.J. Res. 558. Joint resolution to authorize the President to issue a proclamation commemorating the 175th anniversary on August 4, 1965, of the founding of the U.S. Coast Guard; to the Committee on the Judiciary.

By Mr. HAWKINS:

H.J. Res. 559. Joint resolution to amend the joint resolution of March 25, 1953, to increase the limitation on the value of equipment furnished to Members; to the Committee on House Administration.

By Mr. CHAMBERLAIN:

H.J. Res. 560. Joint resolution to authorize the President to issue a proclamation commemorating the 175th anniversary, on August 4, 1965, of the founding of the U.S. Coast Guard at Newburyport, Mass.; to the Committee on the Judiciary.

By Mr. HUOT:

H.J. Res. 561. Joint resolution to authorize the Secretary of the Army to furnish memorial headstones or markers to commemorate those civilians who lost their lives aboard the submarine U.S.S. *Thresher*; to the Committee on Armed Services.

By Mrs. DWYER:

H. Con. Res. 446. Concurrent resolution requesting the President to issue an Executive order prescribing a uniform rule for the daily display of the flag of the United States of America on buildings under the jurisdiction of the executive branch of the Federal Government; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASPINALL:

H.R. 9587. A bill to provide for the free entry of a Craig countercurrent distribution apparatus for the use of Colorado State University, Fort Collins, Colo.; to the Committee on Ways and Means.

By Mr. BOGGS:

H.R. 9588. A bill to provide for the free entry of an electrically driven rotating chair for the use of the Louisiana State University Medical Center, New Orleans, La.; to the Committee on Ways and Means.

By Mr. CONABLE:

H.R. 9589. A bill for the relief of Sister Adelaide (Maria L. Chiriasi) and Sister Dorothy (Maria Chirigliano); to the Committee on the Judiciary.

By Mr. FARBSTEIN:

H.R. 9590. A bill for the relief of Esther Joseph; to the Committee on the Judiciary.

H.R. 9591. A bill for the relief of Angela Maria Rusolo; to the Committee on the Judiciary.

By Mr. FOLEY:

H.R. 9592. A bill for the relief of the Beasley Engineering Co., Inc., Emeryville, Calif.; to the Committee on the Judiciary.

By Mr. HALEY:

H.R. 9593. A bill to authorize the Secretary of the Interior to sell reserved phosphate interests of the United States in lands located in the State of Florida to the record owners of the surface thereof; to the Committee on Interior and Insular Affairs.

By Mr. LEGGETT:

H.R. 9594. A bill for the relief of Tara Singh Brar; to the Committee on the Judiciary.

By Mr. POWELL:

H.R. 9595. A bill for the relief of Enid Ilena McCarty; to the Committee on the Judiciary.

H.R. 9596. A bill for the relief of Teresa and Leonardo LaMarca; to the Committee on the Judiciary.

By Mr. ULLMAN:

H.R. 9597. A bill for the relief of the Beasley Engineering Co., Inc., Emeryville, Calif.; to the Committee on the Judiciary.

SENATE

WEDNESDAY, JUNE 30, 1965

(Legislative day of Tuesday, June 29, 1965)

The Senate met at 11 o'clock a.m., on the expiration of the recess, and was called to order by Hon. DONALD S. RUSSELL, a Senator from the State of South Carolina.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

Our Father, God: From all our involvement in a turbulent social order which still—as of old—crucifies its prophets, for this quiet moment, turning from all the pomp and show of the fickle world, we would with contrition pour contempt on all our pride.

We come confessing that in the conceit of our self-sufficiency, too often with our burning thirsts we have trusted the broken cisterns of worldly wisdom and our own sophisticated cleverness. That delusive way has brought our anguished generation to tragedy and agony.

Our only prayer now, as we come with all our yearning need, is "Nearer, my God, to Thee, nearer to Thee." Keep us near to Thy love in all our inner motives and in all our attitudes to Thy other children, so that Thou canst use us to help Thee heal the open sores which mar our human life.

"God be in our head and in our understanding;

God be in our eyes and in our looking; God be in our mouth and in our speaking;

God be in our mind and in our thinking."

And Thine shall be the kingdom and the power and the glory. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., June 30, 1965.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. DONALD RUSSELL, a Senator from the State of South Carolina, to perform the duties of the Chair during my absence.

CARL HAYDEN,
President pro tempore.

Mr. RUSSELL thereupon took the chair as Acting President pro tempore.