"A half-dozen clear ideas will suffice to inflame the students. Tell them that they are intellectuals, and that they must shout in favor of peace, and that they do not want more wars. And promise them scholarships and free trips and aid in order to advance life."

And, ". . . congratulations to the students, who are advancing together throughout the entire world, and who are the vanguard."

The warning is unmistakably clear: we must face the challenge squarely or risk disastrous consequences. The entire hemisphere is threatened by students who are cunningly led into doing the work of Moscow and Peking. It is easier to inflame destructive revolutionary passion than to sell realistic democratic answers to very complex problems. But ours is the only road that ultimately will bring to the majority of Latin Americans, including students, what they seek.

ADJOURNMENT UNTIL 11 A.M. TOMORROW

Mr. TYDINGS. Mr. President, in accordance with the previous order, I move that the Senate stand in adjournment until 11 a.m. tomorrow.

The motion was agreed to; and (at 3 o'clock and 14 minutes p.m.) the Senate adjourned until tomorrow, Thursday, June 23, 1966, at 11 o'clock a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 22, 1966:

POSTMASTERS

ALABAMA

James E. McClamery, Elmore.
Relfe S. Pruett, Seale.
James L. Shurett, Shawmut.

ALASKA

Eldor R. Lee, Petersburg.

ARIZONA

John E. Babcock, Fort Huachuca.
E. J. Foutz, Teec Nos Pos.
Arnold R. Elias, Tucson.

ARKANSAS

Charles T. Bryan, Gurdon.

CALIFORNIA

Wilbur S. Gram, El Cerrito.
J. Edmund Culver, King City.
William J. Askew, Lower Lake.
Edward F. Harrington, San Luis Obispo.

COLORADO

Harold D. Jackson, Rye.

CONNECTICUT

Richard J. Marks, Norwich.

FLORIDA

Ray A. Hilliard, Geneva.

GEORGIA

James B. Young, Clermont.
Thomas L. Exley, Springfield.

IDAHO

Joseph W. Ebberts, Challis.

ILLINOIS

William L. Sinnett, Adair.
Roger V. Crosman, Braidwood.
Bernie J. Cassidy, Cabery.
James N. Carner, Carriers Mills.
Robert E. Wurmnest, Deer Creek.
Marvin S. Bloomer, Maquon.
Richard E. Dixon, Monticello.
Marjorie E. Scott, Olympia Fields.

IOWA

William J. Dohrer, Rudd.
Lars C. Larson, Woden.

KANSAS

Francis J. O'Leary, Fort Leavenworth.
Morris T. Bowker, Ogden.
Robert Shove, Onaga.
Marie E. Vickers, Pratt.

KENTUCKY

Clarence F. Jones, Grand Rivers.
Robert O. Lanier, Kevil.

LOUISIANA

Robert O. McClung, Homer.

MAINE

Claude A. Cyr, Fort Kent.

MARYLAND

C. Alvin Sanger, Cordova.
William C. Norris, Jr., Forest Hill.

MASSACHUSETTS

Dorothy L. Connolly, Dunstable.
Philip E. Sullivan, East Pepperell.
Robert Connell, Forge Village.
Antone L. Silva, New Bedford.
Martin T. Ready, Winchendon.

MINNESOTA

Frank E. Biniek, Bowlus.
Joseph E. Frankovich, Chisholm.
Richard E. Reiland, Rollingstone.

MISSISSIPPI

James J. Luter, Canton.
Paul B. Alford, Jr., Morton.
James N. White, Wiggins.
Hugh J. McGraw, Yazoo City.

MISSOURI

Harold R. Warren, Climax Springs.
Elvin N. Meredith, Weaubleau.

NEBRASKA

Leonard H. Pelc, Johnstown.
Mildred M. Green, McCool Junction.
Opal K. Reese, Pleasanton.

NEW HAMPSHIRE

G. Nelson Lambert, Center Harbor.
George S. Downer, Hampton.
Paul E. Sanborn, Wilmot Flat.

NEW JERSEY

Howard F. Haas, Cherry Hill.

NEW MEXICO

Orba L. Ray, Tularosa.

NEW YORK

Edwin J. Faber, Caroga Lake.
Blake F. Winter, Cicero.
Harold T. Zwick, Crompond.
Kerlin R. Farwell, Cuba.
Shirley A. Marshall, Hemlock.
Barbara A. Alkinburgh, Nelliston.
Grant D. Morrison, Northville.
Leo J. Soricelli, Peekskill.
Edward S. Norwicki, Warsaw.
Joseph J. Neratko, Westfield.

NORTH CAROLINA

Iva E. Hampton, Coinjock.
W. Marvin Worrell, Jr., Como.
Nancy C. Blue, Jackson Springs.
Joe D. Thompson, Mooresville.
Thomas W. Galloway, Rosman.

NORTH DAKOTA

Donald R. Holler, Drayton.
Vesta M. Schultz, Glen Ullin.

OHIO

John D. Woosley, Camden.
Lillian H. Harbaugh, Clinton.
Herman A. Clarke, Crown City.
William E. Smith, Deshler.
Francis E. Szollosi, Toledo.

OKLAHOMA

Herman D. Jones, Burlington.
Homer H. Wyssmann, Fairmont.
J. Freeman Parker, Ochelata.
Billy R. Robertson, Sand Springs.

PUERTO RICO

Luis I. Lugo-Mercado, San Antonio.

RHODE ISLAND

James M. Phelan, Warwick.

TENNESSEE

Lucile M. Rowland, Del Rio.

TEXAS

Orveta D. Generaux, Addison.
Weldon E. Kaddatz, Bynum.
Wilbert A. Shanks, Combes.
Jack G. Hunt, Kosse.
W. Freeman Philpott, Sherman.

VERMONT

Doris C. Kendall, Reading.

WASHINGTON

Betty J. Hages, Easton.
Charles H. Nash, Friday Harbor.
John C. Hafstad, Oakesdale.
Melvin W. Schauerman, Odessa.

WEST VIRGINIA

Etta M. Aulabaugh, Hancock.

HOUSE OF REPRESENTATIVES

WEDNESDAY, JUNE 22, 1966

The House met at 12 o'clock noon.

The Chaplain, Dr. Edward G. Latch, D.D., offered the following prayer:

Where two or three are gathered together in My name, there am I in the midst of them.—Matthew 18: 20.

Our Heavenly Father, who hast given Thy word that where two or three are gathered together in Thy name, there Thou art in the midst of them—make us aware of Thy presence this moment as we assemble in Thy name, invoking Thy blessing upon us and praying that Thou would make us adequate for the tasks of this day, give us wisdom for the decisions we have to make and courage always to do what is right.

Bless, Thou, our President, our Speaker, and all the Members of this House. Support us all the day long of this troublous life, until the shadows lengthen, and the evening comes, and the busy world is hush, and the fever of life is over, and our work is done. Then, of Thy great mercy, grant us a safe lodging and a holy rest and peace at the last; through Jesus Christ our Lord. 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 without amendment bills of the House of the following titles:

H.R. 3438. An act to amend the Bankruptcy Act with respect to limiting the priority and nondischargeability of taxes in bankruptcy.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 136. An act to amend sections 1, 17a, 64a(5), 67(b), 67c, and 70c of the Bankruptcy Act, and for other purposes.

The message also announced that the Senate agrees to the report of the com-

mittee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 693) entitled "An act to amend the Foreign Agents Registration Act of 1938, as amended."

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 1336. An act to amend the Administrative Procedure Act, and for other purposes; and

S. 2769. An act relating to the establishment of parking facilities in the District of Columbia.

A MATTER OF PERSONAL PRIVILEGE

The SPEAKER. For what purpose does the gentleman from Michigan [Mr. CHAMBERLAIN] rise?

Mr. CHAMBERLAIN. Mr. Speaker, I rise as a matter of personal privilege.

The SPEAKER. The gentleman will state his matter of personal privilege.

Mr. CHAMBERLAIN. Mr. Speaker, I rise with respect to an article which appeared in the Washington Post this morning entitled "Question: Do Congressmen Steal," by the columnists Drew Pearson and Jack Anderson.

The SPEAKER. The gentleman from Michigan is recognized under the question of personal privilege.

Mr. CHAMBERLAIN. Mr. Speaker, this morning the Washington Post carried the syndicated column, Washington Merry-Go-Round, with the byline of Drew Pearson and Jack Anderson which was titled "Question: Do Congressmen Steal?" I presume this column appeared in other newspapers throughout the United States.

This article should be of interest to every Member of this body for it challenges the integrity of certain Members of this House, myself included, charging by innuendo grave misconduct on the part of the Members of this great body in the performance of their legislative duties.

Ordinarily, I do not read the column published by these journalists and would not have seen this if it had not been called to my attention by other parties. Over the years I have come to the conclusion that the matters contained in the column are not worthy of my time and, in fact, I have generally felt they do not warrant a rebuttal. However, in this case the allegations are of such a serious nature that I cannot come to this Chamber and take my seat without asking for an opportunity to set the record straight.

First, it is true that I am a lawyer. I attended law school at the University of Virginia and graduated in 1949. I am a member of the Virginia bar. I also took the Michigan bar in the fall of 1949 and was admitted to practice law in the State of Michigan shortly thereafter. I started my professional career without a client and simply by hanging out my shingle. In the fullness of time I was named an assistant prosecuting attorney for Ingham County. I also served as city attorney for the city of East Lansing, Mich., as counsel for the Judiciary Committee of the Michigan State Senate, and finally as prosecuting attorney for the county of Ingham just prior to my election to Congress.

For several days following my election to the 85th Congress, I continued a limited relationship with several attorneys who had served on the staff of the prosecuting attorney of Ingham County during my term of office. In the spring of 1962, I had discussions with the senior partner for the law firm of Fraser, Trebilcock, Davis & Foster which led to my becoming associated with this firm pursuant to an agreement entered into on May 31, 1962. During our discussions the possibility of a conflict of interest at some future date was of primary importance and was pursued in depth. In view of the text of the column to which I have referred, I want to include in the RECORD a portion of the basic agreement that was made with this law firm.

You will perform no service for the firm, nor shall you share in any income received by the firm from services performed by it, involving matters with or before the United States, its departments, bureaus, services or facilities; it being the clear intention and purpose of all of us to scrupulously and completely avoid any possible conflict of interest or even the appearance thereon between your services to the United States as a Congressman, on the one hand, and as a consulting lawyer to this firm, on the other hand.

Not a year had passed before it became apparent that I would not have sufficient time to devote to any private legal matters and on July 1, 1964, I terminated, at my own request, my relationship with this law firm. My letter of resignation reads in its entirety as follows:

JULY 1, 1964.

Mr. ARCHIE C. FRASER,
Fraser, Trebilcock, Davis & Foster,
1400 Michigan National Tower,
Lansing, Mich.

DEAR ARCHIE: Since our last visit, I have given considerable thought to my continued relationship with you and your partners of Fraser, Trebilcock, Davis and Foster.

At the time we first discussed the matter, I was most optimistic about the future of such an arrangement and felt confident that as soon as I had an opportunity to spend some time in Lansing, I could help in a modest way to further the business interests of the firm. However, since June 1, 1962, the date of our association, I have only spent three weeks in Lansing and they were the weeks immediately preceding the 1962 Congressional campaign . . . and during the peak of the Cuban missile crisis. Following that November election, I went on active duty to meet my reserve obligation, and soon returned to Washington to prepare for the convening of Congress. Last year, we were in session until Christmas Eve which of necessity precluded my being in Lansing . . . and while we're not sure now when Congress will adjourn this year, it has become apparent that my Congressional activities will preempt any time that I had hoped I could devote to personal affairs. Further, I am mindful that our relationship may have, in some respects, been a source of embarrassment to the firm. Thus, for these reasons I have reluctantly concluded that it is best that our association be terminated at a time suitable to your convenience.

I have been most grateful for the opportunity to be identified with Fraser, Trebilcock, Davis and Foster and have felt a warm relationship with each of its members . . . all of whom I hold in highest esteem. It is my deep regret that I have been unable to make the business contribution that I had hoped I would be able to make.

With my warmest regards to you, each member of the firm, and your most efficient and courteous staff, I am,

Sincerely yours,

———— ————.

So my colleagues, I have not been associated with this firm or any other law firm since July 1, 1964, in any way whatsoever, and the authors of this article could have been apprised of this fact by simply calling my office. Likewise, they could have confirmed this fact by a telephone call to the firm itself. Further, they could have gone to the 1966 volume of the Martindale and Hubbell Law Directory and discovered that I am not listed as having any identification with this law firm whatsoever.

The article to which I refer makes specific reference to my legislative interest in repealing the excise tax on automobiles and trucks. I would like to call attention to two brief paragraphs from this article:

Three years ago, Rep. CHAMBERLAIN introduced a bill, H.R. 458, to repeal the manufacturers' excise tax on passenger cars and trucks.

When the Congressman introduced this bill, he did not tell his congressional colleagues or the voters back home that his law firm represented the United Trucking Service and the Detroit Automobile Interinsurance Exchange, both interested in having taxes on trucks and cars removed.

To charge that I pushed for the repeal of the 10-percent automobile excise tax because my law firm had two clients favoring such action or to imply personal financial consideration to me is absolutely ridiculous, irresponsible, and false. In the first place, while I will gladly and proudly admit that I have pursued this repeal with diligence, the article is in error where it suggests that I first introduced the bill 3 years ago. The true facts are these: I first took the oath of office as a Member of this body on January 3, 1957, and 13 days later, on January 16, I introduced H.R. 3022 to repeal the excise tax on passenger automobiles and trucks. As I have already indicated, my connection with the firm of Fraser, Trebilcock, Davis & Foster began on May 31, 1962, and was terminated on July 1, 1964.

I would further point out that I introduced this legislation to keep a promise to the voters of the Sixth Congressional District of Michigan after specifically calling for such legislation prior to the election in 1956. I would also say to my colleagues that my efforts in behalf of this legislation have been supported at different times by the entire Michigan delegation, Democrats and Republicans alike, who were as anxious to see the automobile excise tax repealed as I and who often deferred to me as their spokesman because the district I originally represented included Flint, the home of thousands of Buick and Chevrolet workers and Lansing, the home of thousands of Oldsmobile workers. It was because of the auto-oriented complexion of my congressional district that I began thumping the drums for auto excise tax repeal from the very first day

I came to Congress in January 1957—and for no other reason. I would have been derelict in my duty to my constituents if I had not done so.

The charge of personal interest also is ridiculous because in pushing for auto excise tax repeal, I found myself in 1961 and ensuing years a minority voice on Capitol Hill, with the fate of legislation being dictated by the administration. When excise taxes, including the auto excise tax, finally were repealed, it was because my colleagues then saw the wisdom of a course I and a few others had been recommending for years but to no avail.

During the brief period I was identified with this law firm, and for that matter, before this affiliation, and since its termination, I have never had any business contacts directly or indirectly with any of the clients mentioned in this article.

Mr. Speaker, may I conclude by simply stating that it is indeed regrettable, since the authors of this column indicate such concern with respect to the ethics of Members of Congress, that they have such blatant disregard for the ethics of the journalistic profession in that they have made no effort to ascertain the truth about the matters I have discussed.

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

Mr. CHAMBERLAIN. Mr. Speaker, I am happy to yield to my distinguished colleague, our minority leader.

Mr. GERALD R. FORD. Mr. Speaker, I am delighted that the gentleman from Michigan has set the record straight and told the facts. All of us here admire his integrity, his honesty, his forthrightness and his diligence. I am sure his constituents in Michigan feel as I do. He has an unblemished record. I am proud of him and his accomplishments.

Mr. CHAMBERLAIN. I thank my colleague for his generous words.

CONTINUING RESOLUTION ON APPROPRIATIONS

Mr. MAHON. Mr. Speaker, I ask unanimous consent that it may be in order on any day next week to consider a House joint resolution making continuing appropriations.

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

Mr. JONAS. Mr. Speaker, reserving the right to object, and I shall not object. I have discussed the matter with the distinguished gentleman from Texas, the chairman of the House Committee on Appropriations and informed him that I will not object to his request.

But I believe it would be proper for the RECORD to show—and the gentleman from Texas would not say this himself—that at the beginning of this session of Congress the distinguished chairman of the Committee on Appropriations set up a schedule of bills to be considered by subcommittees and hopefully to be cleared through the House. If we could have adhered to that schedule, we would have had most of our appropriations problems out of the way, or should have them out of the way before the beginning of the next fiscal year on July 1 next.

What I want the RECORD to show is that the House Committee on Appropriations is not responsible for whatever delays have transpired. We are up with our work. We have to wait on authorizations. Without intending any criticism of legislative committees, I merely say that we will act in the Appropriations Committee as promptly as it is possible to act when the authorization bills have cleared the Congress.

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

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

Mr. GROSS. Mr. Speaker, further reserving the right to object, I take it that time will be provided next week, when the resolution is brought before the House, for some discussion with respect to the situation that prevails.

Mr. MAHON. Mr. Speaker, I am sure that when the resolution is brought up, there will be ample opportunity for discussion of this matter. The gentleman knows that most of us, I am sure, would like to see Congress adjourn as soon as reasonably possible, but we have to have a continuing resolution, because the appropriation bills have not become law, and some delay will be inevitable. We hope to pass the continuing resolution early next week, and also the Defense appropriations bill for the fiscal year 1967, which we hope to report later this week and bring to the floor of the House probably on Tuesday or Wednesday of next week. I do not believe the leadership of the House has decided yet on the exact date.

Mr. GROSS. I would hope that the majority leadership in the House, when the resolution comes up next week, will be prepared to give us some idea as to whether this session of Congress will go on interminably with the passage of a continuing resolution and perhaps an extension, as has been the case in previous years.

The House is entitled to have some idea of how long this session of Congress is going to run if it approves a continuing resolution.

I thank the gentleman.

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

The Chair hears none.

SUBCOMMITTEE ON HOUSING OF THE COMMITTEE ON BANKING AND CURRENCY

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that the Subcommittee on Housing of the Committee on Banking and Currency may be permitted to sit this afternoon while the House is in session during general debate.

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

There was no objection.

COMMITTEE ON BANKING AND CURRENCY

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may have until midnight tonight to file a report on H.R. 15639, and that the minority may have the same permission with respect to filing minority views.

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

There was no objection.

COMMITTEE ON RULES

Mr. SMITH of Virginia. Mr. Speaker, I ask unanimous consent that the Rules Committee may have until midnight tonight to file certain privileged reports.

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

There was no objection.

SUBCOMMITTEE ON FISHERIES AND WILDLIFE OF THE COMMITTEE ON MERCHANT MARINE AND FISHERIES

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the Subcommittee on Fisheries and Wildlife Conservation of the Committee on Merchant Marine and Fisheries may be permitted to sit while the House is in session today during general debate.

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

There was no objection.

PERSONAL ANNOUNCEMENT

Mr. HANLEY. Mr. Speaker, on Monday of this week the House passed the freedom-of-information bill. Unfortunately I was detained in my office of the time of the vote. I supported this legislation. Had I been present, I would have voted "yea."

ANTIPOVERTY PROGRAM SUPPLEMENTAL APPROPRIATION

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, no action taken by this Congress was more shortsighted than the shortchanging of the antipoverty program. Although the House approved an authorization of $1,895 million for the Office of Economic Opportunity for the current fiscal year, that figure was cut to $1,785 million in the subsequent conference. Then, as though that cut were not enough, the Committee on Appropriations drove the knife even deeper into this important program by recommending an appropriation of only $1.5 billion.

It was in the light of this legislative history that I viewed with interest the action taken by the United States Conference of Mayors last week in Dallas. Meeting in convention, the conference noted that 60 percent of the poor live in our large cities. The conference urged

the President and Congress to recognize the severe deficiency of antipoverty funds and urged action to appropriate the full authorization for this fiscal year.

Mr. Speaker, the action of the U.S. Conference of Mayors gives hope that greater interest in the problems of the poor will be forthcoming at the local level.

Today I have introduced a bill which would provide a supplemental appropriation for the Office of Economic Opportunity in the amount of $285 million, money which was authorized by this Congress but never appropriated.

Mr. Speaker, I urge the support of all Members of the U.S. Conference of Mayors for this proposal. They must organize a concerted effort to impress all the Members of the Congress with the urgency of the situation. The need is imperative as we face the desperate problems in our urban centers.

I also urge the Committee on Appropriations to promptly consider this measure, if this Nation is to begin to meet the problems of the poor and disadvantaged, which are so acute in our cities.

MASSACRE ON THE HIGHWAYS

Mr. O'NEILL of Massachusetts. 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 Massachusetts?

There was no objection.

Mr. O'NEILL of Massachusetts. Mr. Speaker, I take the floor of the House today to bring the attention of this body to a national scandal—the annual killing of 50,000 Americans and the injuring of some 2 million on our Nation's highways.

Mr. Speaker, for this reason, I am introducing legislation which would create a National Traffic Safety Agency within the U.S. Commerce Department. Within this Agency my bill would establish a National Traffic Center to carry out research and make studies regarding the causes of traffic accidents.

My bill also creates a national traffic safety program and authorizes the Secretary of Commerce to promulgate national traffic safety standards.

I am hopeful that we will get early and favorable action on this vital piece of legislation.

JULIUS KLEIN

Mr. FINDLEY. 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. FINDLEY. Mr. Speaker, I was glad to notice that the Senate Ethics Committee will attempt at least to summon back to the United States for testimony Julius Klein, the Chicago public relations man whose connections with various German industries are of wide interest. As a convenience to the committee I am sending them and placing herewith in the RECORD a set of questions which I feel should be explored when Mr. Klein takes the witness stand:

Why has Mr. Klein not filed with the Justice Department details of the representation agreement with Rheinmetall Co., Dusseldorf, West Germany as required by the Foreign Agents Registration Act?

Why has he not filed full details of receipts and expenditures in connection with representing Rheinmetall?

How can he possibly claim his representation was and is purely mercantile and nonpolitical and therefore exempt from the act in view of his letter of April 5, 1965, to Assistant Secretary of State William Tyler?

What did Klein do in his work as representative of Rheinmetall?

What were his fees? What disbursements did he make?

What U.S. officials did he see or write to in his efforts in behalf of Rheinmetall?

Why did he not file with the Justice Department full financial details of his representation of the Hispano-Suiza firm, another foreign munitions organization which owns rights to the controversial H.S. 820 20 millimeter machine gun?

What were his fees? What disbursements did he make?

What U.S. officials did he see or write to in behalf of Hispano-Suiza?

Was he aware that the H.S. 820 gun did not meet minimum performance standards of the U.S. Army in tests performed at intervals since 1962?

If so, what efforts if any did he make to meet the problem this presented to his clients?

While in West Germany the past few days was he in communication with any Hispano-Suiza or Rheinmetall officials or with West Germany officials or U.S. officials or representatives who were in West Germany in connection with the impending U.S. contract to buy $73 million worth of the H.S. 820 machine gun?

CALL OF THE HOUSE

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

The SPEAKER. Evidently a quorum is not present.

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

A call of the House was ordered.

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

[Roll No. 149]

Abbitt	Flynt	Morton
Anderson, Ill.	Fogarty	Multer
Andrews, Glenn	Gallagher	Murray
	Gilbert	Powell
Andrews, N. Dak.	Gray	Race
	Green, Pa.	Resnick
Aspinall	Hagan, Ga.	Rhodes, Ariz.
Bandstra	Hanna	Rooney, N.Y.
Belcher	Harsha	Scott
Blatnik	Harvey, Ind.	Shipley
Brown, Clarence J., Jr.	Holifield	Thomas
	Jarman	Toll
Buchanan	Jones, N.C.	Trimble
Conyers	Kee	Udall
Corman	Kelly	Vanik
Diggs	King, Calif.	Whitener
Ellsworth	Kirwan	Williams
Evins	Leggett	Willis
Farbstein	Long, La.	Wilson, Bob
Farnsley	Mackie	
Flood	May	

The SPEAKER. On this rollcall 370 Members have answered to their names, a quorum.

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

PERMISSION TO FILE CONFERENCE REPORT

Mr. RIVERS of South Carolina. Mr. Speaker, I ask unanimous consent that the conferees on S. 2950 have until midnight tonight to file a report.

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

There was no objection.

TO AUTHORIZE USE OF MILITARY EQUIPMENT IN CONNECTION WITH 12TH BOY SCOUTS WORLD JAMBOREE

Mr. RIVERS of South Carolina. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 12270) to authorize the Secretary of Defense to lend certain Army, Navy, and Air Force equipment and to provide transportation and other services to the Boy Scouts of America in connection with the 12th Boy Scouts World Jamboree and 21st Boy Scouts World Conference to be held in the United States of America in 1967, and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, strike out all after line 21 over to and including line 14 on page 3 and insert:

"SEC. 2. (a) Under regulations prescribed by the Secretary of Defense and to the extent that furnishing such transportation will not interfere with military operations, the Secretary of Defense is authorized to provide transportation without expense to the United States Government from United States military commands overseas, and return, on surface and other transportation facilities of the armed services for (1) those Boy Scouts, Scouters, and officials certified by the National Council, Boy Scouts of America, as representing the National Council, Boy Scouts of America, at the jamboree referred to in the first section of this Act; and (2) the equipment and property of such Boy Scouts, Scouters, and officials and the property loaned to the National Council, Boy Scouts of America, by the Secretary of Defense pursuant to this Act."

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

Mr. HALL. Mr. Speaker, reserving the right to object, might I inquire of the distinguished chairman of the Committee on Armed Services as to whether or not the intent of this amendment is solely to preclude the transportation at their own expense on U.S. Government surface vessels or the military airlift, of Boy Scouts of foreign national sovereign nations who have not been certified as coming to the world jamboree in the United States in the interest of the National Council of the Boy Scouts of America?

Mr. RIVERS of South Carolina. This is principally my understanding of the amendment as it was inserted by the other body. It is not with respect to the Boy Scouts of America but to delete authority for the Department of Defense to transport Boy Scouts of other nations. We have decided to agree to it.

Mr. HALL. In the opinion of the distinguished gentleman from South Carolina, this would allow us at U.S. posts and commands around the world to bring Boy Scouts of America who happen to be stationed with their parents on said stations, on a space available basis, without expense to our Government, to attend this first world jamboree in the United States of America?

Mr. RIVERS of South Carolina. It is not only my understanding, but it had better be the understanding of the Department of Defense.

Mr. HALL. We certainly appreciate the good offices of the chairman in this matter, and in bringing this up. Having conferred with the Representatives of the other body and the Boy Scouts of America on this, I know it is an amendment on which they insist and it could not be ironed out in conference, so I am glad that the chairman moved to accept it.

Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

UNEMPLOYMENT INSURANCE AMENDMENTS OF 1966

Mr. MADDEN. Mr. Speaker, by direction of the Committee on Rules I call up House Resolution 893 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 893

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 15119) to extend and improve the Federal-State unemployment compensation program, and all points of order against said bill are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed four hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, the bill shall be considered as having been read for amendment. No amendment shall be in order to said bill except amendments offered by direction of the Committee on Ways and Means, and said amendments shall be in order, any rule of the House to the contrary notwithstanding. Amendments offered by direction of the Committee on Ways and Means may be offered to any section of the bill at the conclusion of general debate, but said amendments shall not be subject to amendment. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

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

Mr. Speaker, House Resolution 893 provides a closed rule, waiving points of order, with 4 hours of general debate for consideration of H.R. 15119, a bill to extend and improve the Federal-State unemployment compensation program.

H.R. 15119 would extend coverage under the Federal-State unemployment compensation system to about 3.5 million of the approximately 15 million wage and salary workers not now covered. The extension would bring the total number of workers covered by unemployment insurance—including the Federal programs for railroad workers, Federal civilians and ex-servicemen—to about 53 million, slightly more than 82 percent of all wage and salary workers.

Coverage would be extended by broadening the definition of employer by changing the definitions of "employee" and of "agricultural labor" and by requiring States to provide coverage for certain employees of nonprofit organizations and of State hospitals and institutions of higher education.

Still excluded would be employees of local governments, most State employees, agricultural workers, domestic workers in private homes, and some workers in small establishments.

The coverage provisions would generally be made effective for wages paid after December 31, 1968. The delay in the effective date is to permit States ample time to amend their laws to apply the State tax to all employers who will be subject to the Federal tax.

The proposals embodied in H.R. 15119 would provide major improvements in the Federal-State unemployment compensation. The bill is the product of the broadest and most intense review which has been given to the unemployment compensation program since it was enacted in 1935 as part of the Social Security Act.

The unemployment compensation program has assisted millions of men and women in overcoming the hardships of involuntary unemployment. It has also furnished a stability to the national economy that has helped to moderate, and on occasion perhaps to avert, economic recessions.

Mr. Speaker, I urge the adoption of House Resolution 893 in order that H.R. 15119 may be considered.

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

The SPEAKER pro tempore (Mr. PRICE). The Chair recognizes the gentleman from California [Mr. SMITH].

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

Mr. Speaker, this resolution, House Resolution 893, provides for 4 hours of general debate. It is a closed rule and waives points of order, with the exception of one motion to recommit, and provides for the consideration of the bill H.R. 15119, the Unemployment Insurance Amendments Act of 1966.

The purpose of the bill is to amend the Federal unemployment insurance program to first, provide for extended employee coverage; second, establish a permanent program of extended benefits to those who have exhausted their regular benefits during periods of high unemployment; third, provide judicial review for the States of the determinations of the Secretary of Labor; and fourth, increase the wage base and rate of taxation under the program to put it on a more sound fiscal basis.

The bill represents the most comprehensive review of the system since its inception in 1935.

About 3.5 million additional workers will be covered by the bill, bringing the total to about 53 million on the effective date, January 1, 1969. An employer will come under the Federal-State system if he employs one worker in 20 calendar weeks, or pays wages of $1,500 in any quarter. This will add about 1.2 million. The term "employee" is redefined to include outside salesmen, and commission salesmen. Full-time insurance salesmen are not included. The term "agricultural labor" is redefined to cover workers in major processing plants where one-half of the produce was not grown by the plant operator.

About 1.9 million employees of nonprofit organizations, State hospitals, and institutions of higher learning are newly covered. Exempted are clerygmen, church and high school and primary school employees, doctors and medical personnel of a hospital except nurses who are covered. Nonprofit organizations have the option of either reimbursing the State for unemployment compensation attributable to service for them or paying the regular State unemployment insurance tax; they are not required to pay the Federal portion.

The effective date of the bill is January 1, 1969, put off to let States amend their laws to conform to changes. Four new requirements are added to the program: first, a beneficiary must have had work since the beginning of his benefit year in order to qualify for compensation in that year; second, the wage credits of a worker cannot be canceled or his benefit rights reduced because of a disqualifying act except discharge for misconduct on the job, a fradulent compensation claim, or the receipt of disqualifying income; that is, pension. A State can disqualify a worker during the period of unemployment following a disqualifying act so long as his benefit rights are preserved for a future period; third, compensation cannot be denied to workers who are enrolled in an approved retraining program; fourth, compensation cannot be denied or reduced because a claimant lives in another State.

Finally, a new exemption has been created to protect, these employers who, in connection with an institution of higher learning's program, employ for stated periods, full-time students who are learning their profession as a time student. Their course of study, however, provides for regular periods of work during the school year. If the institution he attends certifies the employer that such work is an integral part of the work-study program, the employer is exempted from paying the contribution on the wages paid such students.

For the first time judicial review is provided. The bill gives to a State a procedure for appealing a decision of the Secretary of Labor to a U.S. court of appeals within 60 days after the Governor has been notified of the adverse decision.

Findings of fact by the Secretary are conclusive unless "contrary to the weight of the evidence."

The bill establishes a permanent program of extended benefits for those who have exhausted their regular compensation benefits during periods of high unemployment. This provision will become effective on January 1, 1969. The program will be financed 50–50 by the States and Federal Government. Two separate but overlapping programs are established: First, a national extended benefit period, created if (a) the rate of insured unemployed for the Nation equaled or exceeded 5 percent for each month of a 3-month period, and (b) during the same 3-month period the total number of claimants exhausting their rights equaled or exceeded 1 percent of covered employees. If either of these conditions are not present, no national extended benefit period occurs. Second, a State extended benefit period created if (a) the rate of insured unemployed for the State equaled or exceeded during a 13-week period, 120 percent of the average rate for the corresponding 13-week period in the preceding 2 calendar years, and (b) such rate also equaled or exceeded 3 percent. Both conditions must be present to activate the program. The absence of one terminates the program.

The tax rate under the Federal Unemployment Tax Act is increased from 3.1 to 3.3 percent effective with respect to wages paid in 1967. The taxable wage base is increased from $3,000 per year to $3,900 from 1969 through 1971, and to $4,200 in 1972 and thereafter.

All minority members except the gentleman from Missouri [Mr. CURTIS] support the bill. They have filed concurring views pointing out the vast improvement of H.R. 15119 over the administration's proposal, H.R. 8282. That bill was designed to apply Federal standards to all 50 State programs. Benefits standards as to length of time and amount were proposed. The experience rating system, designed to benefit the employer with a stable employment situation was to be downgraded. All this the committee refused to do. They support the bill as reported.

Mr. CURTIS does not. He believes the improvements are significant, particularly the inclusion of judicial review of the decisions of the Secretary of Labor. However, he does not believe the bill is the answer needed in this area, as it was drafted to improve H.R. 8282 and not to really remedy problems which have developed in the program. He believes that what is needed is in coordinating the unemployment program with the Manpower Training Act and the passage of the Human Investment Act, which will retrain those whose skills are no longer needed in our economy.

Mr. Speaker, I urge the adoption of the rule, and now yield 5 minutes to the gentleman from Missouri [Mr. CURTIS].

Mr. CURTIS. Mr. Speaker, I thank the gentleman from California [Mr. SMITH] who has accurately stated the situation as to the prospective debate. Of course, the debate now is on the rule—and this is a closed rule waiving points of order—a very strange procedure. I might say, for a Committee on Rules that was liberalized, supposedly, so that the House could work its will on these issues.

There is no question that the bill proposed by the administration, H.R. 8282, has had its enacting clause stricken and we have before us an entirely new measure, H.R. 15119.

I anticipate that during the debate there will be Members who will represent the point of view of some of our national labor leaders, who are going to take the floor or probably insert in the RECORD great speeches as to why they might be going along with this bill but that, regrettably, the will of the majority has prevailed, and they cannot offer the amendment to revive H.R. 8282 so that the House can consider them.

All I am trying to drive home here is that their opportunity, if they really wanted the House to work its will, would have been to join with those of us—for different reasons entirely—who feel that these matters should come before the House under an open rule where amendments could be offered and considered and their amendments could be offered and considered. But I just want, to the best of my ability, to drive home the inconsistencies of these positions and the complete inconsistency of those who argued that by enlarging the Rules Committee, you actually were liberalizing it.

My position on enlarging the Rules Committee was more along the line of giving those who conceived it enough rope and letting them hang themselves. I did not think there was any sincerity in the arguments of the so-called liberals in enlarging the Rules Committee. What they were really after was to gain control of the Rules Committee so that they could bring out more matters under closed rules and waiving points of order. This is exactly what has happened and this is just one more example of it. Hopefully, I thought we would have the operation in the public eye, so that we would be able to have a public debate on what are correct procedures. These hopes have not been realized mainly because the news media has failed to report these procedural issues as they have arisen.

I have minority views. I would only hope that Members would read them. I sometimes wonder whether we have reached the point where the only way we communicate is orally. In these written views I try to point out the areas where I think we should have amendments. I also point out that I am not in a position to offer most of these amendments or to urge them at this time to the Committee of the Whole House because the Ways and Means Committee did not go into those areas. And I am not being completely critical of my committee in saying this, because my points are that the main improvement in the field of unemployment and employment lies in Manpower Training Act development and the Human Investment Act approach.

But in order to make those programs meaningful, we have to do a great deal of coordinating with the unemployment insurance program. The Ways and Means Committee has a real job cut out for itself to assist in this coordination. But we cannot do it if the Committee on Education and Labor does not meet jointly in some fashion with the Ways and Means Committee to develop these points.

There are some specifics, though, that I would be in a position to offer in the way of amendments if this measure were being considered under an open rule. I have said that, No. 1, I do not think there should be a rule at this time. I do not believe we are in a position, in spite of lengthy hearings—and there are lengthy hearings—and in spite of the very thorough review of the narrow sector of just the unemployment insurance program, to debate the crucial issue: How do we move our society forward in handling the problem of unemployment? And, equally important, How do we move forward in handling the real bottleneck in our economy; namely, the fact that we have jobs going begging for which we do not have skilled people to fill?

This is what I think should be before us.

There are good things in this bill. I do think that the bad features in H.R. 8282 have been eliminated. I do not think that the bad features which I still see in H.R. 15119 go to the heart of our present very fine State-Federal unemployment insurance program. I do think they constitute a step backward. There are a number of very fine things in H.R. 15119. But I do think that these good things are good enough to outweigh the step backward.

What I hope will come before the Congress in the next year or so is a bill which will have a comprehensive approach to the problem of unemployment and employment.

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

The SPEAKER pro tempore (Mr. PRICE). Without objection, the previous question is ordered.

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

UNEMPLOYMENT INSURANCE AMENDMENTS OF 1966

Mr. MILLS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 15119.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Arkansas.

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 consideration of the bill H.R. 15119, with Mr. ZABLOCKI in the chair.

The Clerk read the title of the bill.

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

The CHAIRMAN. Under the rule the gentleman from Arkansas [Mr. MILLS] will be recognized for 2 hours and the

gentleman from Wisconsin [Mr. BYRNES] will be recognized for 2 hours.

The Chair recognizes the gentleman from Arkansas.

Mr. MILLS. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, the Committee of the Whole House has before it the bill H.R. 15119, proposed Unemployment Insurance Amendments of 1966.

Mr. Chairman, this bill is the product of many months of labor by the Committee on Ways and Means. It is in every sense of the world a committee bill. It is a bipartisan bill. The ranking minority member of the committee, my friend, the gentleman from Wisconsin [Mr. BYRNES], introduced an identical measure, H.R. 15120, at the time the committee bill was introduced at the direction of the committee by the chairman of the committee.

Mr. Chairman, the Committee on Ways and Means turned its attention to unemployment compensation last year, when the President submitted his recommendations for legislation making certain changes in the existing program. The committee held approximately 3 weeks of public hearings in August of 1965 on the administration bill, H.R. 8282.

Another session was held this year, on March 15 and 16, to receive additional testimony from the Interstate Conference of Employment Security Agencies. Mr. Chairman, as we know, this is a group made up of State directors of unemployment compensation representing all of the 50 States.

Mr. Chairman, I believe it should be pointed out at the inception that the committee not only had full cooperation from the Secretary of Labor and the representatives of the Department of Labor in the executive sessions of the committee, but also we had full cooperation of this interstate conference, in that we had in the executive sessions of the committee at the request of the committee, representatives of the organization at all times while the bill was being considered. We found that their presence in the executive sessions of the committee made a major contribution to the work of the committee and a major contribution to the development of legislation within the committee.

Thus I want not only to thank those who worked with us from our own staff and from the Library of Congress, but also those who worked with us from the executive department and from the Interstate Conference. Every one of them made a very great contribution to the work of the committee, and there was most helpful assistance from each of them who came to the committee.

During the months that we worked—and I say months, because it was during the 2 months really that we worked—in executive session, giving almost all of our time to the subject matter, we began to formulate ideas, we began to formulate exceptions and changes with respect to the initial proposal, the result being H.R. 15119.

Mr. Chairman, I believe the committee very slowly and very carefully put together this bill during those weeks of deliberation and study. I do not claim it is a perfect bill. I would not disagree with my friend from Missouri that it has imperfections and that perhaps more could have been done; but I am confident in my own mind that the provisions, if enacted, will strengthen and improve the Federal-State unemployment compensation program in several areas in which I believe changes are needed at the present time.

DIFFERENCE BETWEEN H.R. 8282 AND H.R. 15119

The reported bill differs from the initial bill of the administration in many, many respects. The so-called Federal benefits standards contained in H.R. 8282 are omitted from the bill before the Committee. These were the provisions, Members will recall, which would have required the States to pay weekly benefits to an individual equal to one-half of his average weekly wage up to a State maximum. They also would have required the State to pay 26 weeks of benefits to any worker with 20 weeks of qualifying earnings in his base period.

These provisions, I repeat, are not contained in the bill presently before the Committee.

Also omitted from the bill are provisions which were contained in H.R. 8282 relating to the elimination of the experience rating as the sole means of determining employer tax credits, and provisions limiting the time in which a State could disqualify a worker from receiving benefits because of the commission of a disqualifying act.

None of these things, I repeat, is in the bill before the Committee.

Mr. Chairman, in order to point out the other differences—and all the differences—between the administration proposal and the committee bill, the staff of the Ways and Means Committee prepared a brief comparison of these two bills. That comparison was printed and is available to all Members. In order that it may be available to the public generally, at the proper time I shall ask permission to include it at this point in my remarks.

The matter referred to is as follows:

COMPARISON OF UNEMPLOYMENT COMPENSATION BILLS, H.R. 8282 (ADMINISTRATION BILL) WITH H.R. 15119 AS ORDERED REPORTED BY COMMITTEE

Item	H.R. 8282	H.R. 15119
Extended benefits	*Federal Unemployment Adjustment Benefits Program*—Establishes a Federal unemployment adjustment benefits (FUAB) program to provide benefits to unemployed workers with a long work history who exhaust their benefits under a State (or Federal) program. *When payable*—Benefits would be payable at all times, regardless of the general level of unemployment.	*Federal-State Extended Unemployment Compensation Program*—The bill would establish a new permanent Federal-State extended unemployment compensation program which would require the States to enact laws, that would have to take effect beginning with calendar year 1969, to pay extended benefits to workers who exhaust their basic entitlement to unemployment compensation during periods of high unemployment. *When payable*—Benefits would be payable only during an "extended benefit period," based on either a National or a State "on" indicator. When a national extended benefit period is established, extended benefits are payable in all States. An extended benefit period always stays in effect for at least 13 weeks. A national extended benefit period would be established if (*a*) the seasonally adjusted rate of insured unemployment for the Nation equaled or exceeded 5 percent for each month in a 3-month period, and (*b*) the total number of claimants exhausting their rights to regular compensation during those 3 months equaled or exceeded 1 percent of covered employment. It would end whenever either of these conditions was not met. In the absence of a National extended benefit period, an extended benefit period would be established for an individual State if (*a*) the rate of insured unemployment for a running 13-week period equaled or exceeded 120 percent of the average rate for the corre-

COMPARISON OF UNEMPLOYMENT COMPENSATION BILLS, H.R. 8282 (ADMINISTRATION BILL) WITH H.R. 15119 AS ORDERED REPORTED BY COMMITTEE—Continued

Item	H.R. 8282	H.R. 15119
	Qualification, amount, and duration of benefits—Benefits paid under the FUAB program would be equal in weekly amounts to worker's regular weekly benefits under a State program, including dependents' allowances if any. In order to qualify for FUAB a worker must have had at least 26 weeks of employment in his State base period (usually the 1-year period immediately before he became unemployed) and at least 78 weeks of employment in a Federal qualifying period consisting of the State base period and the 2 years immediately preceding. The worker must also have been unemployed for 26 weeks and exhausted his regular benefits. FUAB payments would be paid for 26 weeks during the worker's Federal benefit period, consisting of the State benefit year and the 2 succeeding years. If a worker had received payments under a State program for more than 26 weeks, the duration of his FUAB benefits would be reduced accordingly and the State would be reimbursed for such payments.	sponding 13-week period of the 2 preceding years and (*b*) such rate equaled or exceeded 3 percent. It would end whenever either of these conditions was not met. *Qualification, amount, and duration of benefits*—Benefits during an extended benefit period (either National or State) would be equal in weekly amount to a worker's regular weekly benefits under the State program, including dependents' allowances if any. To qualify, a worker must exhaust his regular benefits and may be required under State law to have had at least 26 weeks of base period employment, or the equivalent. Extended compensation would be payable for up to ½ his basic entitlement, but for not more than 13 weeks, and for not more than 39 weeks of combined regular and extended compensation.
	Financing—Benefits would be paid entirely from the Federal adjustment account described below. (Sec. 101.)	*Financing*—The Federal Government would pay 50 percent of the benefits from the extended unemployment compensation account described below. The States would pay the other 50 percent. (Secs. 201–208.)
Federal grants for excess benefits costs	Establishes a program of Federal matching grants to States that have high benefit costs. The Federal Government would pay ⅔ of the benefit costs of a State that are in excess of 2 percent of the total covered wages in such State. For example, in a State with a 3-percent benefit-cost rate, the Federal share of such cost would be 0.66 percent and that of the State would be reduced to 2.33 percent. A State would have to meet all of the requirements of the Federal Unemployment Tax Act including the benefit requirements contained in another title of the bill (mentioned below) in order to receive Federal grants under this program. Federal grants would be financed from the Federal adjustment account described below. (Sec. 102.)	No provision.
Extension of coverage:		
1. Employers of one or more workers	Present law limits coverage to persons or firms employing 4 or more workers in 20 weeks during a calendar year. The bill would cover any person or firm employing 1 or more workers at any time in a taxable year. (Sec. 201.)	Covers employers who employ one or more workers in 20 weeks during a calendar year, or pay wages of $1,500 or more in any calendar quarter in a calendar year. (Sec. 101.)
2. Employees of nonprofit organizations	Coverage would be extended to employees of nonprofit organizations, with the following exceptions: (*a*) Duly ordained ministers and members of religious orders; (*b*) Clients of sheltered workshops; (*c*) Part-time service for a religious organization at a pay rate of less than $15 a week; and (*d*) Participants in unemployment work-relief or work training programs financed in whole or part by a Federal, State, or local government agency. No change in existing exclusions of students for school they are attending, of student nurses and interns, and of nonprofit services paid less than $50 a quarter. States could provide special methods for determining contributions to be paid by nonprofit organizations. (Sec. 203.)	States would be required, as conditions for tax credit, to extend coverage to employees of certain nonprofit organizations and State hospitals and institutions of higher education. In addition to the exclusions stated in (*a*), (*b*), and (*d*) under H.R. 8282 and the other existing exclusions of students, etc., the following would be excluded: (1) Church employees and employees of church controlled or supported organizations operated primarily for a religious purpose; (2) Employees of schools other than institutions of higher education; (3) Persons employed by an institution of higher education in an instructional, research, or principal administrative capacity; (4) Physicians and similar licensed practitioners in a hospital or hospital-connected research organization, but nurses would be covered; and (5) Nonprofit organizations which did not have at least 4 workers in 20 weeks. Nonprofit organizations must be allowed the option of either reimbursing the State for unemployment compensation attributable to service for them or paying the regular State unemployment insurance contributions. They would not pay the Federal portion of the unemployment tax. A separate

COMPARISON OF UNEMPLOYMENT COMPENSATION BILLS, H.R. 8282 (ADMINISTRATION BILL) WITH H.R. 15119 AS ORDERED REPORTED BY COMMITTEE—Continued

Item	H.R. 8282	H.R. 15119
		effective date would allow the States to put the reimbursable option into effect at any time after Dec. 31, 1966, although the requirement of coverage would not be effective until 1969. (Sec. 104.)
3. Definition of employee	The present definition of "employee" is limited to officers of a corporation and persons who are employees under usual common law rules. The bill would adopt the definition of employee that applies to the OASDI system, which includes additional persons who are not employees under common law rules, such as certain agent-drivers and outside salesmen. (Sec. 204.)	Similar provision, except that full-time insurance salesmen and persons who work on materials in their homes who are not common law employees would not be covered. (Sec. 102.)
4. Agricultural workers	(*a*) The bill would extend coverage to farm employers using 300 or more man-days of hired farm labor during a calendar quarter. (*b*) In addition, the bill would adopt the definition of "agricultural labor" that applies to the OASDI system. Adopting the OASDI definition would extend UI coverage to an estimated 200,000 workers now exempt as agricultural workers. Included in this group are maple sugar workers, those engaged in off-the-farm raising of mushrooms and poultry hatching and workers in processing plants where more than half the commodities handled were not produced by the plant operator. (Sec. 205.)	(*a*) No provision covering hired farm labor. (*b*) Similar provision, except that employees of certain agricultural cooperative organizations would not be covered. (Sec. 103.)
Other coverage changes	No other changes in categories of employment excluded.	Students in certain work-study programs would be added to the categories excluded from coverage. (Sec. 105.)
Federal benefit requirements	The bill establishes requirements concerning eligibility for, amount and duration of benefits, which a State would have to adopt for employers within the State to receive full tax credits. Employers in a State that does not meet these requirements would have their credits reduced from 2.7 percent to a percentage equal to the 4-year benefit-cost rate of the State, if that rate is lower than 2.7 percent. The requirements are: (*a*) Eligibility for benefits: No worker could be required to have more than 20 weeks of employment (or its equivalent) in his base period. (*b*) Benefit amount: An individual who qualifies for benefits would be entitled to a weekly benefit equal to ½ of his average weekly wage, up to the State maximum. The State maximum would be based on statewide average weekly wage. The bill requires that initially the State maximum would have to be set at 50 percent of the statewide average weekly wage, with this percentage figure increasing to 60 percent by July 1, 1969, and ultimately to 66⅔ percent by July 1, 1971. (*c*) Duration of benefits: An individual who qualifies for benefits based on 20 weeks or more of employment would be entitled to receive them for a potential duration of at least 26 weeks. (Sec. 209.)	No provision.
Additional Federal standards (including disqualification).	The bill provides additional requirements which must be met by the States to obtain approval of their programs by the Secretary of Labor. Failure to obtain such approval would result in the loss of all tax credits to employers in a State and withholding payment of the State's administrative expenses. The most important of these new requirements relates to disqualifying workers from receiving benefits. It would prohibit a State from disqualifying a worker from receiving benefits for a period longer than the week in which the disqualifying act occurred and the succeeding 6 weeks. 3 exceptions to this prohibition are provided; these would allow the denial of benefits in cases of: (1) fraud in connection with claims (for up to 36 weeks); (2) labor disputes (for an unlimited period); and (3) conviction of a crime aris-	Contains similar requirements, with the following changes: Disqualification requirement omitted.

COMPARISON OF UNEMPLOYMENT COMPENSATION BILLS, H.R. 8282 (ADMINISTRATION BILL) WITH H.R. 15119 AS ORDERED REPORTED BY COMMITTEE—Continued

Item	H.R. 8282	H.R. 15119
	ing in connection with the individual's work (for up to 52 weeks). The other new standards of the bill would— (*a*) Require a worker to have intervening work since the beginning of his benefit year to qualify for benefits in his next benefit year (outlawing the "double dip"). (*b*) Prohibit cancellation or reduction of wage credits or benefit rights because of disqualifying act. (*c*) Prohibit denial of benefits to a worker attending training with the approval of the State agency. (*d*) Prohibit denial or reduction of benefits to a worker because he files his claim or resides in another State or in Canada. (Sec. 211.)	(*a*) Same. (*b*) Prohibit cancellation of wage credits or total reduction of benefit rights except in cases of discharge for misconduct in connection with work, fraud in connection with a claim for compensation, or receipt of disqualifying income (such as pensions). (*c*) Same. (*d*) Prohibits denial or reduction of benefits to a worker because he files his claim or resides in another State. (Sec. 121.)
Experience rating	Under existing law, experience rating is the only method that may be used to reduce employer tax rates below 2.7 percent in States with pooled funds. The bill would allow, but not require, the States to use other methods of reducing such rates. (Sec. 208.)	No provision, but a related amendment would allow the States to reduce tax rates for new or newly covered employers (to not less than 1 percent) until they have the necessary 3 years of experience to obtain a reduced tax rate under the State experience rating system. (Sec. 122.)
Tax rate increase	The FUAB and grants for excess benefit-costs programs would be financed by an increase of 0.15 percent in the tax rates of employers subject to the Federal Unemployment Tax Act, plus an equal contribution from Federal general revenues. These funds would go into a new Federal adjustment account to be established in the Federal Unemployment Trust Fund, from which FUAB payments and grants for excess benefit costs would be made. Whenever the balance in the Federal adjustment account reaches a stated level the additional tax rate would be reduced to 0.10 percent. (Secs. 202 and 101.)	Increases net Federal tax rate by 0.2 percent (from 0.4 to 0.6 percent) with respect to wages paid in 1967 and thereafter. ½ of the rate increase (0.1 percent) would be put into a new extended unemployment compensation account in the Unemployment Trust Fund to finance the Federal share of the new extended benefits program. Any excess of the other 0.5 percent collections over administrative expenses also would be credited to this account. Whenever that balance in the extended unemployment compensation account reaches a stated level, the additional revenue would be credited to the Federal unemployment account in the Trust Fund. (Secs. 301 and 206.)
Wage base increase	The taxable wage base of the Federal Unemployment Tax Act (now $3,000) would be increased to $5,600 for calendar years 1967 through 1970, and to $6,600 thereafter. (Sec. 207.)	Increases the taxable wage base to $3,900 effective with respect to wages paid in calendar years 1969 through 1971, and to $4,200 beginning in 1972. (Sec. 302.)
Judicial review	No provision	Under existing law the decisions of the Secretary of Labor as to whether or not a State law conforms to the requirements of the Federal law are final. There is no specific provision in the law allowing a State to appeal these decisions to a court. The bill would furnish the States a procedure for appealing these decisions of the Secretary to a U.S. court of appeals within 60 days after the Governor of a State has been notified of an adverse decision by the Secretary. Findings of fact by the Secretary would be conclusive upon the court "unless contrary to the weight of the evidence." The provision would be effective upon enactment. (Sec. 131.)
Other amendments:		
1. Maritime employers	Provides that maritime employers in a State that does not meet the requirements now in sec. 3305(f) for equal treatment of maritime employees and maritime workers may be denied tax credits for their State contributions. (Sec. 206.)	Similar provision, but broadened to apply to additional types of employers such as those of certain Federal instrumentalities. (Sec. 123.)
2. Research and training	The Secretary of Labor would be directed to conduct research either through the Labor Department of under grants or contracts in the field of unemployment compensation and related areas and to provide training for personnel engaged in administering the unemployment compensation program. (Sec. 103.)	Similar provisions except that with respect to training of personnel the Secretary is to act directly and through the State employment security agencies. (Sec. 142.)
3. Special Advisory Commission	Directs the Secretary to appoint a Special Advisory Commission on Unemployment 3 years after the date of enactment to review the unemployment compensation program and make recommendations for improvements with particular reference to changes made by the bill. (Sec. 301.)	No provision.

COMPARISON OF UNEMPLOYMENT COMPENSATION BILLS, H.R. 8282 (ADMINISTRATION BILL) WITH H.R. 15119 AS ORDERED REPORTED BY COMMITTEE—Continued

Item	H.R. 8282	H.R. 15119
4. Change in certification date	The date on which the Secretary of Labor certifies State laws to the Secretary of the Treasury for the purpose of granting tax credits to employers would be changed from Dec. 31 to Oct. 31. (Sec. 212.)	Same. (Sec. 144.)
5. Use of certain funds for administration	No provision	Extends for another 5 years the time within which the States could expend for administrative purposes (including construction of buildings used in the employment security program), funds returned to them as excess Federal tax collections. (Sec. 143.)

MAJOR PROVISIONS OF H.R. 15119

What are the major changes the bill would make in the unemployment compensation program? These changes, I believe, can be divided into four or five categories.

First, the bill would extend coverage to approximately 3½ million workers whose jobs are not now protected.

Second, it would establish a permanent program of extended benefits to workers who exhaust their regular unemployment compensation payments during periods of high unemployment.

Third, it would provide the States with a system of judicial review.

Fourth, it would improve the financing of the program.

It would also add a few new State requirements and make other changes to improve and strengthen the Federal-State unemployment compensation program.

Let me summarize very briefly these four or five matters to which I have alluded, and the other changes that the bill would make.

CHANGES IN COVERAGE

Let us take up first the question of changes in coverage. Today there are approximately 49.7 million jobs—those include Federal employees, ex-servicemen, and of course railroad workers who are under a separate program—which are presently protected by unemployment compensation. In other words, if they become unemployed and jobs cannot be found for them, then they would be entitled to an unemployment payment or an unemployment benefit.

Approximately 15 million jobs as of today are not covered either by Federal law or by State law. This bill would extend the coverage to about 3½ million of those 15 million jobs, effective January 1, 1969.

Now let us talk about the types of workers whose jobs would be covered by this extension within the confines of this bill. First are workers in the employ of persons or firms with less than four employees. Present Federal law only applies and only requires coverage by the States of those employers who have four or more workers in their employ in 20 weeks of a calendar year. There are some States, however, Mr. Chairman, acting on their own, who have reduced this matter of coverage and the numbers of employees from four to one. Some States have included one employee and therefore subjected the employer to the State tax when that employer has that one employee at any time. So the States have moved in this direction without any compulsion from the Federal law or from the Congress. All of them have not, but the point is this, Mr. Chairman: Even though the State which so moved has subjected these employers of one or more to the application of the State unemployment compensation tax, they are not subject to the Federal tax, which, of course, is the difference in existing law between 3.1 percent of payroll and 2.7 percent which the employer gets as a State credit against the Federal tax.

So really what we are doing in those cases where the States have moved forward already to subject the employer of one or more to a State tax is to make the Federal tax also applicable to it. However, all States, bear in mind, would have to reduce from four or more, if they still have that definition of employment for the purposes of taxation, to one or more if that one employee works for that employer in 20 weeks out of the calendar year or the employer might be taxed if he comes into the State as a contractor from another State on a contract that will require him in 30 days or even in a lesser period of time to perform if he pays as much as $1,500 in wages during any quarter of a calendar year.

Mr. Chairman, there are approximately 1.2 million of these jobs and workers who would be given unemployment compensation protection for the first time as a result of this legislation.

Mr. Chairman, another group that we might refer to, a smaller group, is involved in the changed definition of the term "employee." There are approximately 200,000 additional workers who would be covered by adopting, with a modification, the definition of "employee" that applies to the old-age survivors and disability insurance program. There is a slight modification in the definition as it is adopted for unemployment compensation purposes.

Those affected by this change are persons who are not considered to be employees under common law rules, such as certain agent drivers, and some outside salesmen. The concept of employee as adopted by the bill differs from that of the old-age and survivors disability insurance program in that it does not apply to the full-time life insurance salesman. Old-age and survivors disability insurance does cover them but this bill does not. Persons who work in their own homes on materials which are furnished by another person are also not covered. Of course, there might be a common law relationship of employer and employee, and wherever that exists, of course, they are covered regardless of what we say here.

Next is the redefinition of the term "agricultural labor."

Now, Mr. Chairman, bear in mind that we are not including under unemployment compensation anyone who works as a field hand or who works for the farmer in the growing and in the harvesting of his crops. But within the definition of "agricultural labor," we do have certain people who may never work actually on a farm as a farmhand. They may work in some processing plant.

Mr. Chairman, it is interesting to note, for example, that services performed off the farm in the hatching of poultry are presently considered to be farm labor and therefore not included under the protection of unemployment compensation under existing law, but would be included under the bill.

Approximately 200,000 additional workers would be covered by adopting the definition of "agricultural labor" that applies to the old-age and survivors disability insurance system, but with a modification. The bill would not cover farmworkers generally but would extend coverage to some of the now excluded borderline agricultural employment. Included for example would be services performed off the farm in the hatching of poultry. Also included would be services performed in connection with the operation or maintenance of an irrigation system for profit.

The bill would also extend coverage to services performed in the employ of commercial handlers in preparing fruits and vegetables for market. Postharvesting processing services performed in the employ of the operator of a farm would be excluded if the operator produced over one-half of the commodity processed. These services performed in the employ of a group of farm operators or a cooperative organization of which farm operators are members would be excluded if the member operators produced more than one-half of the commodity processed.

The CHAIRMAN. The time of the gentleman from Arkansas has expired. The gentleman has consumed 15 minutes.

Mr. MILLS. Mr. Chairman, I yield myself 5 additional minutes.

Now, Mr. Chairman, the greater number of people who are covered under this bill for the first time are the employees of nonprofit organizations as well as State hospitals and institutions of higher learning.

Now, Mr. Chairman, there are approximately 1.9 million such jobs in the United States which under the present law are not covered.

Mr. Chairman, this was a rather knotty problem. You have these nonprofit organizations dependent, of course, in most instances not upon taxation developed from either State, Federal, or local government processes, but these organizations are dependent upon the charges they render or else upon the charitable contributions that organizations or individuals may make to them.

Under the provisions of existing law a State today may include the employees of a nonprofit hospital, any time the State wants to do so, but there is no compulsion under the Federal law that they do it. But if the State does do it—my State or your State or any State does it—the only way they can include that hospital or other type of nonprofit organization and determine the benefits of its employees is to subject it to the same rules of taxation that are applicable to every other employer within that State.

Now, we have made a change in that. We said that the State, in the process of being required to put these employers and their employees under the program, may give the employer an option as to how they are brought under it. Take a university, for instance—a university that has employees in a clerical or custodial type of position. If that university comes under the program and some one of its employees loses his job and no job can be found for him, and under State law that employee becomes entitled and receives a total of $100 of benefits, instead of that institution being subjected to the tax rate in the State, as some other employer would have been taxed, we provide that the State give the university an election to bring it under the program on a self-insurance basis. By this, the university can reimburse the State for that exact amount of money, $100, that the State has been out, under its system, in looking after that unemployed former employee of the university.

In addition we say here that none of these nonprofit institutions will be included as far as the Federal law is concerned—they will not be subject to Federal tax anyway—none of them will be covered as a result of this bill unless they had as many as four employees working 20 weeks in a calendar year.

So that we impose here upon these organizations a materially smaller burden, as they come into the program, than we imposed upon the profitmaking hospital, for example, or any other profitmaking employer when that employer came under the program. I have heard no objection, frankly, from any of these institutions to this method of providing protection for their employees, whereas all of them, universities and hospitals, and so on, were very much disturbed over the method of inclusion which was proposed in H.R. 8282 wherein they would have been treated as any other employer and made subject to the tax that the employers have to pay.

EXCLUSION OF CERTAIN STUDENTS

A new exclusion from coverage is provided by the bill for students employed under specified work-study programs arranged by the schools they attend, effective January 1, 1967.

There is a growing trend in schools and colleges toward requiring a combination of outside work experience with formal classroom study. In some of these programs, students enrolled at an institution alternate between full-time class study and full-time outside employment on a quarter or semester basis. In other programs the students spend a portion of each day or divide their time on a weekly basis between classroom attendance and outside work. These work-study programs are integrated into the regular school curriculum and form a part of a formalized full-time educational program.

Students enrolled in these work-study programs usually engage in employment of the type which is covered under the unemployment compensation system. Under existing law the wages paid to these students are therefore subject to the Federal tax under present law. The schools might have more success in persuading employers to participate in cooperative education plans if the wages paid to the students were not taxable, as the bill provides.

ADDITIONAL REQUIREMENTS FOR UNEMPLOYMENT COMPENSATION PROGRAMS

States would be required under the committee bill to amend their laws, effective not later than January 1, 1969, in order to obtain approval by the Secretary of Labor for the purpose of tax credits for employers, to provide that—

First. Work requirement: A beneficiary must have had worked since the beginning of his benefit year in order to obtain unemployment compensation in his next benefit year—prohibiting the so-called double dip which allows a worker to draw full benefits in 2 successive years following a single separation from work.

Second. Cancellation of wage credits: The wage credits of a worker may not be canceled or benefit rights totally reduced by reason of a disqualifying act other than discharge for misconduct connected with his work, or fraud in connection with a claim for compensation, or by reason of receipt of disqualifying income such as pension payments. But a State could, for example, disqualify a worker for the duration of a period of unemployment following a disqualifying act, such as a voluntary quit, so long as the worker's benefit rights are preserved for a future period of involuntary unemployment during the benefit year.

Third. Worker training: Compensation may not be denied to workers who are undergoing training with the approval of the State unemployment compensation agency.

Fourth. Interstate claims: Compensation may not be denied or reduced because a claimant lives or files his claim in another State.

JUDICIAL REVIEW

Under existing law a decision of the Secretary of Labor that a State law, or State administration of its law, does not meet the requirements of the Federal law is final. There is no specific provision in the law allowing a State to appeal such a decision to a court.

The bill would furnish to a State a procedure for appealing a decision of the Secretary to a U.S. court of appeals within 60 days after the Governor of the State has been notified of an adverse decision by the Secretary. Findings of fact by the Secretary would be conclusive upon the court "unless contrary to the weight of the evidence." The provision would be effective upon enactment.

FEDERAL-STATE EXTENDED UNEMPLOYMENT COMPENSATION PROGRAM

Mr. Chairman, there is one other element in this bill that I think is worth a great deal. I think it is really the outstanding provision, perhaps, in the entire bill. I am referring to the Federal-State extended unemployment compensation program which the bill establishes.

Those of you who were here recall that twice within the last 8 years, first in 1958 and again in 1961, the Congress enacted laws that provided for extended benefits to workers who have exhausted their benefits under State programs for whom jobs could not be found because of the high level of unemployment that existed on each of those occasions. While these programs were beneficial, and while they helped to offset the effects of the high unemployment at that time, there are defects inherent in any such approach to the solution of the problem that bring about that type of action.

Now, to me, a program enacted as we are presently discussing it today, under circumstances where there is no pressure or emergency—a program that will take effect in a period of high-level unemployment—recession, if you please—that will go into effect the minute that begins to become evident, and not later on as in the past—but which will trigger in because of certain occurrences within the State, or because of certain occurrences nationwide, is far better than to depend upon a later action by the Congress, when the pressure is great and after the event has occurred.

The bill would establish a new permanent program which would require the States to enact laws, that would have to take effect beginning with calendar year 1969, to pay extended benefits during periods of high unemployment to workers who exhaust their basic entitlement to unemployment compensation.

Benefits would be paid to workers under the program only during an "extended benefit" period. Such a period could exist, beginning after December 31, 1968, either on a National or State basis by the triggering of either a National or State "on" indicator. The bill contains some rather technical provisions regarding these "on" and "off" indicators." The basic purpose of these provisions is to limit the program to times of high unemployment, when there is a real need for it.

An extended benefit period on a national basis would be established if, first, the seasonally adjusted rate of insured unemployment for the Nation as a whole equaled or exceeded 5 percent for each month in a 3-month period and, second, during the same 3-month period the total number of claimants exhausting their rights to regular compensation—over the

entire period—equaled or exceeded 1 percent of covered employment for the Nation as a whole. There is a national "off" indicator if the rate of insured unemployment remained below 5 percent for a month or if the number of claimants exhausting their rights to compensation added up to less than 1 percent for a 3-month period.

An extended benefit period would be established for an individual State, first, if the rate of insured unemployment for the State equaled or exceeded, during a moving 13-week period, 120 percent of the averaged rate for the corresponding 13-week period in the preceding 2 calendar years and, second, if such rate also equaled or exceeded 3 percent. There is a State "off" indicator if either of these conditions is not satisfied.

During an extended benefit period, whether established by National or State conditions, the State must provide each eligible claimant with extended compensation, at the individual's regular weekly benefit amount—including dependents allowances—equal to one-half his basic entitlement, but not more than 13 times such weekly benefit amount, or the difference between his regular compensation and 39 times such weekly benefit amount, whichever is the lesser. The Federal Government will pay half the cost of these required payments. The State may provide more benefits, but at its own expense. A State which requires less than 26 weeks of work, or its equivalent as a condition of eligibility for regular compensation may limit eligibility for extended compensation to those who had more weeks of base period employment but not more than 26 weeks or the equivalent.

FINANCING PROVISIONS

Mr. Chairman, the one fundamental thing that many people might not like that is in the bill is the fact that the bill provides for a slight tax increase. As I said earlier, the total tax which is now levied for unemployment compensation by Federal law is 3.1 percent of payroll. Four-tenths of 1 percent of that total amount comes to the Federal Government. It is used to defray the cost of administration at State levels of these officers that have been set up under State laws to handle unemployment compensation and the problems of finding employment for those who are unemployed. This bill increases that four-tenths of 1 percent to six-tenths of 1 percent.

That is done for two reasons: First, we want to build up the fund in time of prosperity, such as we now have, to enable the Federal Government to be able to take care of half of the cost of this extended benefit program which I have just described. One-tenth of 1 percent will do that. The other one-tenth of 1 percent which is added to the present four-tenths of 1 percent is required, in our opinion, to develop sufficient moneys to pay for the administrative costs, at the State level, of this program.

The bill puts the tax rate increase into effect with respect to wages paid in calendar year 1967. In addition, adjustments are made within the wage base itself. The bill raises from $3,000 to $3,900 those wages which are subject to Federal tax for the years 1969 through 1971. Beginning in 1972, and thereafter, $4,200 of wages will be subjected to this Federal tax.

Mr. Chairman, I do not know of any real opposition to the bill anywhere within our economy. The bill is so different from that which was initially introduced, I think that those who had opposed the initial proposal would now tell you that they are perfectly willing for the Congress to enact this bill.

OTHER PROVISIONS

The bill also contains provisions to—

First, authorize funds to conduct research relating to the unemployment compensation system and to train unemployment compensation personnel and prospective personnel;

Second, change from December 31 to October 31 of each year the date with respect to which the Secretary of Labor certifies to the Secretary of the Treasury that the State laws and administration meet the requirements of the Federal Unemployment Tax Act;

Third, extend for another 5 years the time within which the States could expend for administrative purposes funds returned to them as excess Federal tax collections;

Fourth, permit the States to reduce the tax rates of new employers—to not less than 1 percent—during the first 3 years they are under the unemployment compensation program and

Fifth, provide for enforcement of existing prohibitions against unequal treatment of maritime and other employment with respect to which the Federal Government has a special jurisdictional interest. I should like to point out that the Committee on Ways and Means made no decision concerning the alleged discrimination against maritime employees. This merely supplies an enforcement provision, which is now lacking in the law, for those cases in which it may be determined that discrimination exists. In addition, the provision makes clear that the judicial review procedure provided elsewhere in the bill will be available to appeal any final decision the Secretary of Labor might make under this provision.

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

Mr. MILLS. I yield to the gentleman from Louisiana.

Mr. WAGGONNER. I thank the gentleman for yielding. The gentleman has made his usual fine explanation of legislation he brings to the floor, but I have one question relative to the extension of the coverage of this unemployment insurance to employees of nonprofit institutions. Am I correct in assuming that the employers in nonprofit institutions would not have to pay this Federal portion of the payroll tax?

Mr. MILLS. The gentleman is correct. And at its election a nonprofit organization may avoid the payment also of the State tax, by electing to go on what we described in the committee as a type of "self-insurance."

Mr. WAGGONNER. I thank the gentleman for yielding.

Mr. MILLS. Mr. Chairman, I would, therefore, urge the Committee to accept the product of the Ways and Means Committee.

Mr. BYRNES of Wisconsin. Mr. Chairman, I yield 10 minutes to the gentleman from Missouri [Mr. CURTIS].

Mr. CURTIS. Mr. Chairman, during the debate on the rule I made some comments as to why I thought we were not prepared to debate this matter on the floor. The basic issue is: What can we do to improve our unemployment and our employment programs?

One of the things I wanted to add to that discussion is this: I am fearful that maybe the debate that is going on here will have very little meaning to what actually might become law. The strategy of the administration could well be to go ahead and pass this bill, then get it over to the Senate, and then put on all of these measures set out in H.R. 8282 that the House Ways and Means Committee in its judgment refused to enact. Then it would come back to the House under a conference report, thus robbing the House of any opportunity for debate and deliberation on the subject. This is not unusual, regrettably. This does occur.

But, nonetheless, I am going to do what I can to debate the issue.

Essentially I am going to read my minority view into the RECORD.

I concur in the reasoning advanced by my Republican colleagues but I reach a different conclusion as to whether the bill H.R. 15119 should be supported. I do not believe its good features, and there are some, outweigh its bad features and make up for the areas of neglect. Therefore, I do not support the bill as written. Regrettably, the committee has not developed sufficient data so the House can consider with intelligence many amendments which would make the bill a good one. Therefore I do not believe it should be considered by the House at this time.

I must approach this bill from the following standpoint. If I were writing a bill to improve the State-Federal unemployment insurance program, would I write this bill? The answer must be, "No." This bill was written not with a healthy affirmative approach of how can we improve our State-Federal unemployment system, but rather from a negative approach of how can we prevent the present State-Federal system from being badly damaged as H.R. 8282 would surely have done. H.R. 15119 does not badly damage our system. It has some desirable improvements, not the least of which is judicial review, but it does take several serious steps backward and fails to take some important steps forward.

The administration based its case for H.R. 8282 on three major premises which the committee hearings reveal to be unsustained.

First. That the States had not improved the benefits in amounts and duration or the extent of coverage since the State-Federal system was first established in 1936. This was a sweeping generality and a simple cross-examination of the Secretary of Labor and the other executive spokesmen who advanced the premise established it to be preposterous

and wholly without foundation. Whether the improvements which have occurred over the years in the State systems have been timely and in keeping with cost of living increases and standard of living increases, of course, always deserves serious and constant study. The studies in evidence before the committee reveal that benefits in amount and in duration have more than kept pace with increased cost of living in all States. In some States they have not kept pace with the national average increase in standard of living. I am not certain of their record in respect to their own standard of living. However, in most States the benefit payments have exceeded the very fine increase our society overall has experienced in the standard of living and there is every indication that the States which have not kept up fully are not laggards and are striving to catch up. The incentives exist for them to continue on this course.

Second. The next premise advanced by the administration was almost abandoned before it was stated it was so contrary to the evidence. The argument was that the unemployment insurance trust funds of the States and other fiscal aspects of the State unemployment systems were in a precarious condition. The evidence shows the State trust funds to be ample with the States having adequate ability to increase them if required. For the Federal officials to advance such an argument about the State unemployment insurance trust funds in light of the truly precarious position of the Federal old-age and survivors disability insurance trust funds was certainly looking for a mote in the neighbor's eye with a plank in one's own eye. The old-age and survivors disability insurance trust fund was supposed to have in it four times the annual benefit payment. The last time we had such a ratio was in 1954 when the annual payments were about $5 billion and the trust fund was about $21 billion. Today the annual benefit payments are running around $16 billion and the trust fund is a bit below $18 billion, scarcely a 1-to-1 ratio, let alone a 4-to-1 ratio. The Social Security officials in view of this fact have now openly abandoned this basic fiscal theory of the old-age and survivors disability insurance trust fund. It is not now to be considered as a basic source of income out of which to supplement payment of benefits, but only as a contingent fund to insure full benefit payments against unexpected events.

Third. The third premise of the administration was that the 50-State system resulted in unhealthy competition among the States. It was argued that States kept their unemployment insurance tax rates low (and their benefits) in order to attract industry into the State. Unfortunately and shortsightedly this argument has been used at times in State legislatures to resist increases in unemployment benefits and accordingly payroll tax rates, and sometimes successfully. It is a question, however, whether the Federal standards sought to be imposed by H.R. 8282 being advocated by the administration were necessary to meet this problem even if it proved to be a real one.

However, a basic question asked many witnesses, including some of the national labor leaders, revealed the converse of the problem to exist. The question was: Do you think that a well-developed unemployment insurance system attracts and holds industry in a State? The evidence clearly reveals that those States which have the best systems—defining "best" in terms of benefits and extent of coverage—are the ones which have the most industry, are continuing to hold it and attract more. California and New York illustrate the point. Indeed, the States with inferior unemployment insurance systems seem to be at a competitive disadvantage. It seems strange for the advocates of good unemployment insurance programs to be taking the other side of the argument.

A somewhat similar consideration provides the answer to the argument advanced by some national labor leaders that experience rating stimulates employers to "denying" the unemployed the benefits they are entitled to. The States which have utilized and developed experience rating certainly include the big industrial States where labor unions are strong politically. It would be inconceivable that the governmental tribunals established by those States to pass judgment on whether a man is entitled to unemployment benefits or not are so dominated by management as to hand down such unjust decisions. Walter Reuther, when asked about the tribunals in the State of Michigan, conceded that he thought they were fair and impartial. And I think this is true of all States. Mr. Reuther again, as he has in the past, failed to supply me a list of specific injustices upon which he based his general charges.

How do we improve the State-Federal unemployment system? First, let me point out that the most recent major improvement in the system was the passage of the Manpower Training Act of 1962. Many know that I had a great deal to do with the conception, development, and passage of this very beneficial legislation, but not so many know that it grew out of the then recent hearings the Ways and Means Committee had conducted on the State-Federal unemployment insurance system. During these hearings I asked myself the logical question, what good does it really do merely to extend the periods during which an unemployed gets unemployment insurance benefits if at the end of that period he still is unemployed, particularly when the problem of many of the unemployed today is that they do not possess skills in demand. They either have no skill at all, or are semiskilled or have a skill which automation has rendered obsolete.

It amazed me to find that none of the administration witnesses in their prepared statements for the 1965 hearings—or the national labor leaders for that matter—discussed the relationship of the Manpower Training Act to the improvement suggested in the unemployment insurance program. Only under my cross-examination did they begin to relate the two programs, and they had no beneficial suggestions for bringing about a better coordination and improvement of the two related programs.

I am convinced that the greatest improvement in the unemployment insurance program lies in further coordinating it with the Manpower Training Act and getting the Human Investment Act enacted into law. The Human Investment Act would encourage management to do a great deal more on-the-job training in teaching skills to the unskilled and those with obsolete skills and upgrading the skills throughout the labor force. We need to provide better early warning systems so those who are about to become unemployed can begin retraining at once and so avert their ever being unemployed. I have discussed over the years, and at some length, the coordination which could be provided through amending the unemployment insurance program to enable employer A who is phasing out employees to train them during the phasing out period for employer B who is expanding to be reimbursed by B for the costs of this retraining which benefits B but not A.

During the hearings a new problem was posed which I believe deserves proper study with the view of presenting corrective legislation. I was discussing the matter of retraining with one of the witnesses. The witness pointed out that retraining was great for the younger unemployed, but was not so feasible for the man who say had spent 35 years at his skill and then in his fifties finds that his skill is no longer needed. It is not easy for men or women in their fifties to learn a new skill—and possibly have to move to another community even when a new skill has been learned. We had the same problem in respect to the social security disability program where the discipline that makes that program work requires the disabled person to register with the rehabilitation program to learn to adapt his skill to his handicap or learn a new skill. It was pointed out that a different standard should apply to an older disabled person—that he should only be required to adapt his skill to his handicap and not to be required to learn a new skill. We so amended the act.

I suggested that we needed to look at our old-age and survivors disability insurance programs and private tax exempt pension programs to see whether or not in the cases of the older employee an early and accelerated vesting of his retirement benefits was not in order. I think it is. So here to improve the unemployment insurance programs we need to coordinate them with our retirement programs.

Mr. BYRNES of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. CURTIS. I yield to the gentleman from Wisconsin.

Mr. BYRNES of Wisconsin. While the gentleman is on this subject, it should be pointed out that we did make a change in the act which moves in the direction of a coordination of the unemployment compensation system and some of the retraining programs. This bill provides that the States cannot deny an

unemployed worker who is taking retraining any unemployment compensation benefits to which he might be entitled during that period, and that he would still be considered under the law as available for work even though he was taking retraining.

Mr. CURTIS. I am happy the gentleman from Wisconsin pointed that out. Indeed, that is so, and is one of the arguments I used to get us to originally enact the Manpower Training Act.

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

Mr. CURTIS. I yield to the chairman of our committee.

Mr. MILLS. My friend from Missouri will also recall that we took another step in the direction of what he is discussing, when we provided for students who are on work-study programs to be excluded from the payroll of the employer in order to get more of them into that type of work-study arrangement.

Mr. CURTIS. The gentleman from Arkansas is accurate in that statement.

When we go back into the House I believe the chairman of our committee will ask for unanimous consent for all Members to extend their remarks and include extraneous matter. I am going to put in the RECORD a study from the Library of Congress listing all of the various Federal manpower training programs that presently exist, which are largely uncoordinated. This is the kind of thing I am arguing about. We must coordinate these programs on the base of the unemployment insurance program.

Let me add that this is not even discussing the programs under the Department of Labor in apprenticeship training, where there is a lack of coordination, or the tremendous vocational education programs conducted by the Military Establishment. The unemployment insurance program, of course, is the base.

I am distressed at the backwardness of this administration, and I must say of previous administrations going back to the Eisenhower administration, in failing to coordinate these programs.

We have a problem in the House because we do, and we must, separate these jurisdictions among committees. The Ways and Means Committee holds basic jurisdiction, but the Committee on Education and Labor holds a great deal of jurisdiction in an area relating to this, as does the Committee on Agriculture and as do other committees which deal with aspects of the poverty program.

What we badly need, perhaps, is an ad hoc committee consisting of representatives of all of committees, to go into this basic problem.

I point out that there are three important caveats which have been ignored in H.R. 8282 and even to some degree in H.R. 15119.

First. The unemployment insurance program is essentially for the primary worker. It, of course, should be and is extended by all States in varying degrees to cover the seasonal and the in-and-out workers—the secondary workers, but if we ever lose sight of the primary worker by failing to distinguish his characteristics from those of the many categories of secondary workers we will badly damage the primary system and not be able to improve it as should be done periodically for the primary worker.

Second. The State-Federal system works because it has flexibility. It permits each State to "tailor" the system to its needs. If the Federal Government imposes national standards of what employers and what employees should be covered, the amount and duration of coverage down to the minutest detail, this flexibility is lost. The tailoring is particularly applicable in areas of the coverage of secondary workers, and of small and different types of employers. There is a difference in relationship between an employer of one and his employee and the employer of many and his employees. For many reasons some States do not want to cover this kind of employment; others do. There is plenty of reason for permitting the States to have flexibility, for the benefit of both the employee and the employer. So it is with other kinds of employers, for example, farmers, State and local governments, and nonprofit organizations. Coverage of farmers and nonprofit organizations illustrate problems at the opposite ends of the pole.

The nonprofit organizations, such as our hospitals and schools, point out that they have little or no incidence of unemployment, and the record seems to bear them out. Therefore, if they are included in a system with industrial employers they bear an undue share of others' costs. With farmers it is almost the reverse. Here the incidence of unemployment is so high that the other employers do not want them included unless in a special category. Some States have sought to cover farmworkers with varying degrees of success, and experimentation is still going on and should be permitted. Flexibility for the States must be preserved so that the differences existing between States may be taken account of and so innovation may continue.

Third. The State-Federal system is truly an insurance system and should never be corrupted into a welfare system. That is not to say that society forgets about the unemployed who runs out of or has no unemployment insurance coverage. It simply means that society takes care of him under different systems. Our society does just this. Those who erroneously conclude that because a person is not covered or runs out of unemployment insurance is thereby forgotten can do grave damage to the basic insurance system by stretching it to do a job it is not structured to do. This I believe is the greatest danger to our unemployment insurance system.

Finally, I think there is serious question of just how much money the Federal Government needs in order to properly administer the present unemployment insurance program, particularly the U.S. Employment Service part of it. I think our committee failed to dig into these expenditures deeply enough. For example, I think the USES could be doing a better job, but isn't doing a better job, not because of lack of money but because its administrators and the Secretary of Labor have misunderstood its basic purposes; namely, to get jobs for the unemployed, not to help employers fill jobs with people who already have jobs or can get them on their own or on other private initiatives. I think the financing in H.R. 15119 gives too much money to the Federal administrators under guidelines entirely too loose. Although I favor some increase of the tax base to facilitate better experience rating systems on the part of the States, the increase in the base provided in H.R. 15119 is entirely too much.

Mr. Chairman, the variety of apprenticeship training programs conducted by the Department of Labor may be seen in the booklet entitled "The National Apprenticeship Program," 1965 edition prepared by the Manpower Administration, Bureau of Apprenticeship and Training. The material I referred to earlier from the Library of Congress is as follows:

THE LIBRARY OF CONGRESS,
Washington, D.C., December 6, 1965.

Legislative Reference Service.
To: Ways and Means Committee.
From: Education and Public Welfare Division.
Subject: Federally assisted work training and retraining programs designed to assist able-bodied adults to return to the labor force.

The following is a brief description of each program with information, where available, as to the number of individuals assisted and the the amount of Federal authorization and expenditure.

MANPOWER DEVELOPMENT AND TRAINING ACT

The principal program to provide training to unemployed and underemployed workers is conducted under the Manpower Development and Training Act of 1962, as amended. The program provides for the cost of training and for the cost of allowance payments to certain qualified trainees. In addition, the Act provides special programs of testing, counseling, guidance, job development and placement for unemployed workers. State and local agencies are utilized in administering the programs. Generally speaking, the Department of Health, Education and Welfare is charged with the responsibility of furnishing the training afforded under the Act through public and private schools. The remaining functions are administered by the Manpower Administration in the Department of Labor.

Important changes in the provisions of the MDTA were adopted by legislation enacted in 1963 (Public Law 88–214) and by the Manpower Act of 1965 (Public Law 89–15). The 1963 amendments, among other things, expanded the type of training available to include basic education subjects such as reading, writing and arithmetic in order to improve the capabilities of trainees lacking in these skills to qualify for occupational training. The Manpower Act of 1965 extended the life of the MDTA programs until June 30, 1969, and made other changes, including increasing the maximum period for receiving training allowances and incorporating the worker training provisions of the Area Redevelopment Act into the MDTA.

The types of training that are furnished under the MDTA, as presently amended, are—

Institutional Training: Training given in either a public or private vocational or educational institution to equip persons with skills to enable them to obtain employment.

On-The-Job Training: Training by performance and observation on the job. Trainees are paid for productive work in accordance with prevailing industry and wage level standards.

Basic Education Training: Training in reading, writing, language skills, and arith-

metic given to persons needing these skills in order to improve their capabilities to qualify for occupational training.

Multioccupational Training: Training for large numbers of persons with varied potentials who can be grouped together for training in a range of occupations.

Youth Training Programs: Training, counseling, and other services for disadvantaged out-of-school, out-of-work youth 16 through 21.

The Office of Manpower, Automation and Training (OMAT) reports that by late August 1965, 9,252 training projects had been approved in every State, the District of Columbia, Puerto Rico and the Virgin Islands which provided training for 430,850 persons in over 700 different occupations. In addition, 145 projects were approved to train or serve 90,183 persons in experimental and demonstration programs. Roughly 70 percent of the graduates of these programs have obtained jobs, most of them in occupations related to their training.

The MDTA program has been completely financed from Federal funds since its inception. As now amended, full Federal financing is extended until June 30, 1966. For the remaining three years of the program the Federal Government will pay 90 percent of the training costs and the States will pay 10 percent in cash or kind; the costs of training allowances will continue to be paid fully by the Federal Government. The Act authorizes expenditures of $454 million for fiscal year 1966 and such sums as may be necessary for each fiscal year thereafter. According to the Appendix to the Budget for 1966, expenditures for all activities under MDTA were $109,970,000 in fiscal 1964 and an estimated $210,000,000 in 1965. Expenditures for training under the ARA were $6,500,000 in 1964 and an estimated $7,985,000 in 1965. Total appropriations for MDTA activities and administrative expenses in the 1966 Labor-HEW appropriation act (P.L. 89–156) and the Labor-HEW supplemental appropriation act (P.L. 89–199) come to $434,899,800.

VOCATIONAL EDUCATION ACT OF 1963

This act authorizes a program of Federal grants to the States for the purpose of assisting them in maintaining and improving existing programs of vocational education, in developing new programs, and in making all programs available to all persons who can benefit therefrom, whether they are enrolled in school or not. The statement of purpose includes specific mention of "vocational . . . retraining" and stresses that all programs should be planned and carried out to accord with actual or anticipated employment opportunities.

Programs under this act are to be available to 4 groups of persons: (1) those in high school; (2) those who have completed or left high school and can study full-time in preparation for entering the labor market; (3) those who are employed, but need additional training or retraining; (4) those who have special academic, socioeconomic, or other handicaps. Clause (3) is particularly relevant to the subject of this memo, since it provides for the retraining of workers to keep them abreast of changing demands in the labor market brought about by technological advances and mobility of industry. Excluded from the group of eligible persons under clause (3) are those persons who are receiving training allowances under MDTA, ARA, or the Trade Expansion Act of 1962.

In addition to making certain groups eligible for Federally assisted vocational education programs for the first time, the act also relaxes the strict vocational categories which may be included in programs under earlier vocational acts—the George-Barden Act of 1946 (and related acts) and the Smith-Hughes Act of 1917. For example, under the earlier acts, Federal assistance for agricultural education was available only for programs designed for—

"Persons over 14 years of age who have entered upon or who are preparing to enter upon the work of the farm or of the farm home; [and] that such schools shall provide for directed or supervised practice in agriculture, either on a farm provided for by the school or other farm, for at least 6 months per year." (Smith-Hughes, sec. 10; George Barden, sec. 7.)

As a result of the 1963 act, however, the limitations on agricultural education are relaxed so that the term is defined as—

"Vocational education in any occupation involving knowledge and skills in agricultural subjects, whether or not such occupation involves work of the farm or of the farm home, and such education may be provided without directed or supervised practice on a farm." (Sec. 10.)

Grants to States are made on the basis of approved State plans. Of the basic appropriation (authorized in sec. 2) 90% is allotted among the States for support of programs for the 4 groups of persons mentioned above, for construction of area vocational schools, and for ancillary services and activities; 10% is reserved for support of research and training programs in vocational education. A separate appropriation is authorized for the support of work-study programs for vocational students and for the construction and operation of residential vocational education facilities (sec. 15).

For fiscal 1965, the basic (sec. 2) authorization was $118.5 million. This sum was appropriated in full. The estimated expenditure in that year was $106,650,000.

For fiscal 1966, the basic authorization is $177.5 million. Again, this sum has been appropriated in full.

The Office of Education states that the Vocational Educaton Act of 1963 (and related acts), served 5.2 million students in 1965, and that the 1966 total of students served will rise to approximately 5.8 million. A breakdown of this total into numbers of high school students trained, unemployed adults given preparatory job training, and employed adults given job retraining is not yet available.

TRADE EXPANSION ACT OF 1962 AND AUTOMOTIVE PRODUCTS TRADE ACT OF 1965

Authority to provide training to certain workers adversely affected by foreign imports is contained in the Trade Expansion Act of 1962 (TEA) and the Automotive Products Trade Act of 1965 (P.L. 89–283).

The TEA provides special assistance to workers (and firms) who are economically injured as a direct result of United States tariff concessions under the Act. The specific forms of relief potentially available to workers are: 1) readjustment allowances (cash); 2) testing, counselling, training and job placement; and 3) relocation allowances. With respect to the furnishing of training to eligible workers, section 326(a) of the TEA provides:

"To assure that the readjustment of adversely affected workers shall occur as quickly and effectively as possible, with minimum reliance upon trade readjustment allowances under this part, every effort shall be made to prepare each such worker for full employment in accordance with his capabilities and prospective employment opportunities. To this end, and subject to this part, adversely affected workers shall be afforded, where appropriate, the testing, counseling, training, and placement services provided for under any Federal law."

Section 326(b) of TEA provides that whenever possible training programs will be developed to prepare workers for employment with the same firms that employed them before their jobs were adversely affected under the Act.

Before the forms of workers assistance may be made available under TEA, the U.S. Tariff Commission must either approve a petition of a group of workers for a determination of eligibility for assistance or it must have found the firm employing the workers to be injured within the meaning of the Act. Since the Tariff Commission has not made an affirmative finding of either type as yet, no training or other forms of worker assistance have actually been made available under the TEA.

P.L. 89–283, which was enacted to implement the United States-Canadian Automobile Agreement of January 16, 1965, authorizes the President to eliminate U.S. duties on motor vehicles and on original equipment parts and accessories imported from Canada. It provides TEA adjustment assistance for workers or firms dislocated because of new trade patterns growing out of the agreement, with special rules of procedure for determining eligibility during a transitional period terminating July 1, 1968. Under the procedures in effect during the transitional period a firm or group of workers may petition the President (or the agency to which he delegates his functions) for a determination of their eligibility to apply for adjustment assistance. The criteria for making such a determination differ from those of the TEA and are designed to facilitate the certification of workers or firms for adjustment assistance. After July 1, 1968 the regular TEA procedures for applying for such assistance will be followed.

Both the TEA and the Automotive Products Trade Act authorize the appropriation of such sums as may be necessary to carry out their purposes of providing adjustment assistance to firms and workers. The Appendix to the 1966 Budget shows expenditures of $145,000 in fiscal year 1964 and an estimated $308,000 in fiscal 1965 for activities of the Labor Department under the TEA.

COMMUNITY WORK AND TRAINING PROGRAMS UNDER TITLE IV OF THE SOCIAL SECURITY ACT (AID TO FAMILIES WITH DEPENDENT CHILDREN)

The purpose of the legislation is the conservation of work skills and the development of new ones for adults who are receiving assistance under the aid to dependent children program. The program is optional with the States. The Federal government participates in the cost of the payments to individuals on such work projects up to the amount he otherwise would be receiving as assistance. (Although it would be possible for a State to have a Community Work and Training program even though it has not implemented the unemployed parent option in AFDC, the current experience has been that such programs have appeared only in some of the 18 States which have exercised the option.) Under the legislation, the Federal government does not participate in the cost of materials or equipment or of project supervision. The law requires, among other things, that certain standards as to health and safety be met; that payments for work be at a rate not less than minimum rate set for similar work by State law and not less than rates for the same type of work prevailing in the community; and that such work be performed on projects which serve a useful public purpose, do not displace regular workers, and are of a type which (except in emergency) is not normally undertaken by the State or community. It is also required that cooperative arrangements be entered into with the system of public employment offices in the States, including registration of recipients for work, and also with the agencies administering vocational education and adult education in the State, looking toward the retraining of individuals for regular employment. The Community Work and Training provision will expire after June 30, 1967.

As of July 1965, some 10 States have Community Work and Training programs. In this month 20,663 families had an adult on such programs which in terms of individual

recipients provided payments for 38,825 adults and 75,596 children. Approximately $3.8 million a month was paid in July 1965 to these families, $2.7 million of which represents payments for work performed on such programs.

WORK EXPERIENCE PROGRAM OF TITLE V OF THE ECONOMIC OPPORTUNITY ACT

Title V of EOA provides that in order to stimulate programs to help "unemployed fathers and other needy persons to secure and retain employment or to attain or retain capability for self-support or personal independence," the Director of the Office of Economic Opportunity is to transfer funds to the Secretary of Health, Education, and Welfare (the Welfare Administration is the administering agency) to enable him to make payments for experimental, pilot, and demonstration projects under section 1115 of the Social Security Act. Section 1115 of that Act allows for the waiver of public assistance plan requirements but the projects would be subject to the same requirements mentioned previously for Community Work and Training programs with the major exception that there is no restriction against Federal financing of the cost of materials or equipment or the cost of project supervision. Under the Economic Opportunity Act of 1964 the first year cost of the 3-year program was to be financed solely by the Federal government with State and local participation in the last two years. The 1965 Amendments, however, provided for full Federal financing for all three years. Also the 1965 amendments amended the act so that, for eligibility purposes, workers in farm families with net family incomes of less than $1,200 are considered unemployed. In administering the provision, the Director is directed to make maximum use of the programs available under the Manpower Development and Training Act of 1962 and the Vocational Education Act of 1963.

The following table shows the recipients and funding of the program for fiscal 1965 and 1966:

Estimated average monthly number of family heads and other needy persons in demonstration projects for work experience and training for an average of 9 months, and obligations of Federal funds, fiscal years 1965 and 1966

Type of demonstration projects	Average monthly number of family heads and other needy persons			Obligations of Federal funds		
	Existing obligational authority (1965 funds)	New obligational authority (1966 funds)	Change, 1966 over 1965	Existing obligational authority	New obligational authority (1966 funds)	Increase, 1966 over 1965
I. Extension of work experience and training programs to families receiving AFDC-UP	22,600	40,000	17,400	$8,816,000	$14,502,000	$5,686,000
II. Extension of AFDC-UP and work experience and training programs to more families and provision of assistance and work experience to other needy persons	45,900	44,300	−1,600	94,747,000	122,160,000	27,413,000
III. Provision of work experience and other needed training to AFDC mothers	20,200	25,000	4,800	7,930,000	12,238,000	4,308,000
Total	[1] 88,700	[2] 109,300	20,600	111,493,000	148,900,000	37,407,000

[1] With 276,000 dependents.
[2] With 327,900 dependents.

SPECIAL PROGRAMS FOR THE UNEMPLOYED POOR UNDER TITLE II OF THE ECONOMIC OPPORTUNITY ACT

This program was established by a 1965 amendment to Title II (Community Action programs) of the Economic Opportunity Act so as to authorize the Director to make grants which involve activities directed to meet the employment needs of those chronically unemployed poor who have poor employment prospects and are unable, because of age or otherwise, to secure appropriate employment or training assistance under other programs. These special programs, in addition to other services, must offer participation in projects for the betterment or beautification of the areas served, with emphasis on activities which will contribute to the management, conservation, or development of natural resources, recreational areas, Federal, State, and local parks, highways, and other lands. The program will have to be conducted in accordance with standards which assure that they are in the public interest and consistent with the policies for the protection of employed workers and the maintenance of basic rates of pay and other suitable conditions of employment. The new provision, which was added by the Senate, had initially an authorization earmarking of $150 million for the first year. This earmarking was eliminated by the Conference Committee. Ten million dollars, however, was earmarked in the Supplemental Appropriation Act, 1966 (P.L. 89-309) for the programs. The following is an excerpt from Mr. Shriver's testimony as to the Administration's position on the new program which was given on August 31, 1965, before the House Committee on the supplemental appropriation bill:

"We are told there are some changes on the authorization bill which is not final, which has not yet been signed, and not passed. We have been told, however, that there are these changes germane to your consideration. One is known as the Nelson amendment. This is an amendment proposed by Senator NELSON, of Wisconsin, which the Senate specified $150 million for the purpose of aiding the chronically unemployed poor, especially older people.

"The conference committee adopted the provision but did not specify any specific sum of money. We have made no specific provision in our estimates for this program. We have not worked out any administrative procedures by which this program should be carried out if it remains law.

"Mr. LAIRD. You are not asking for any money to carry on my Senator's program?

"Mr. SHRIVER. We will be happy if you will give us the money to do it.

"Mr. LAIRD. We want to know what the President recommends.

"Mr. SHRIVER. The President recommends what is indicated in the budget."

ADULT BASIC EDUCATION

Programs in adult basic education—that education designed to impart basic literacy and mathematical skills to illiterate adults or to increase the language and mathematical skills of adults with a low degree of literacy to a level which will qualify such adults for productive employment—are currently authorized under four laws: the Manpower Development and Training Act and the Vocational Education Act of 1963 (both treated above); the Economic Opportunity Act of 1964; and the Elementary and Secondary Education Act of 1965.

I. Economic Opportunity Act of 1964

The purpose of Part B, Title II of this Act is to initiate programs in literacy education for those persons 18 years old and over whose inability to read and write English impairs their ability to get and hold productive and profitable jobs.

To qualify for Federal funds under this program, a State must draw up a State plan and secure the approval of the Director of the Office of Economic Opportunity. The State plan must outline the program to be undertaken and provide for the administration of that program by the State educational agency.

Of the sums allocated for grants under this part for a fiscal year, up to 2 percent is reserved for distribution to the outlying territories. The remainder is allotted among the States on the basis of the relative number of individuals in each State who have attained age 18 and who have completed not more than 5 years of school. Each State is allotted at least $50,000.

Under the original legislation, the Federal share was set at 90 percent of program cost for fiscal 1965 and 1966, and at 50 percent for years thereafter. As a result of the Economic Opportunity Amendments of 1965 (P.L. 89-253), the 90 percent Federal share has been extended for one more fiscal year (through fiscal 1967).

A State may use Federal grants under this program to help (1) pay the costs of local adult basic education programs; (2) finance pilot projects designed to improve adult education techniques and materials; and (3) improve technical services provided by State agencies. Under the 1965 amendments to the Act, the Director of OEO may reserve up to 5 percent of allocated sums to be used in programs to develop teachers for adult literacy education.

According to the Office of Economic Opportunity $18.6 million was available to the States under this part in fiscal 1965. 40 States had their plan approved in that fiscal year, and 14 States had programs funded in the amount of $4,168,836. Consequently, $14.4 million was carried over for use in fiscal 1966.

Fiscal 1966 appropriations for the Economic Opportunity Act are $1,500,000,000, the amount requested in the President's budget. Though funds are not specifically earmarked for Part B of Title II in the appropriations act, it is to be expected that programs under this part will be funded to the amount of $30 million, the amount requested by the President.

OEO estimates that by the end of fiscal 1966, 105,000 participants will have been reached by the adult basic education program.

II. Elementary and Secondary Education Act of 1965

Title III of this act authorizes a 5-year program of Federal grants to local school agencies for use in establishing and supporting supplementary educational centers and services. Initiative for planning and carrying out programs under this title rests with the local school agency, which must have its program plan approved by the Commissioner of Education. While programs under this title are to be directed primarily at increasing the amount and quality of educational and cultural opportunity available to elementary and secondary school children, the local

agencies may also provide adult educational activities.

Paragraph 118.4 ("Purposes") of the Regulations governing this title contains the following pertinent language:

"(b) Grants may be made for innovative and exemplary programs in the following categories: . . . . (2) comprehensive academic services, and, where appropriate, vocational guidance and counseling, for continuing adult education;"

We have been informed by the Office of Education that 739 applications for Title III programs have been submitted to date, "some" of which contain provision for adult basic education. Detailed data on the content of individual project plans will not be available until after the Commissioner announces the list of approved projects.

FREDERICK B. ARNER.
JAMES W. KELLEY.
TERRY PRIDGEN.

Mr. BYRNES of Wisconsin. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. BETTS].

Mr. BETTS. Mr. Chairman, I simply want to comment briefly on the subject of the denial of tax credits in certain cases, which appears at the bottom of page 11 of the bill. I do so mainly because during the hearings there was a great deal of discussion about the attitude of the Department of Labor over the years toward the State of Ohio as to whether or not it is complying with the workmen's compensation law with respect to maritime employers and employees. I am not going to get into the details or the technicalities of this except simply to say that it arose over the question as to whether the State of Ohio was correct in treating maritime employees as seasonal workers. H.R. 8282, which was the administration bill, had a provision in it which would give the Secretary of Labor the authority to deny the tax credits to maritime industry if it thought that the State of Ohio was discriminating against maritime employees. As I say, I am not going to get into the details or the technicalities of it, but there was this controversy or at least some difference of opinion as to whether or not the State of Ohio was complying. Up until this time there was no provision in the law whereby the Secretary of Labor could enforce this denial of tax credit. I think that the committee handled the question in a very satisfactory manner in section 123, which begins at the bottom of page 11, which merely extends the right to withhold tax credits to all parties in a specific category of cases which is referred to in that section. Furthermore, this bill for the first time provides for judicial review, so if at any time any State feels the Secretary of Labor or any other official has arbitrarily taken a position against the State, that State has the right to appeal to the U.S. circuit court of appeals in the State in which it is situated. I think that satisfies this problem raised by the maritime employers and the Secretary of Labor.

Mr. Chairman, if there is any dispute, and if the Secretary of the Department of Labor should withhold tax credit, then the State of Ohio would have the right to appeal to the Circuit Court of Appeals in Cincinnati and the issue could be resolved there rather than left solely to the Secretary of Labor to make the decision.

Mr. Chairman, it is my opinion that the committee very wisely took the position that it was not going to take sides in this dispute, and I believe the chairman of the Committee on Ways and Means, the gentleman from Arkansas [Mr. MILLS], will agree with me in this statement.

Mr. MILLS. Mr. Chairman, if the gentleman from Ohio will yield, I would like to join the gentleman in his statement and point out that the Committee on Ways and Means made no decision whatsoever concerning the alleged discrimination against maritime employees. What we undertook to do in writing the provisions of the bill, as my friend the gentleman from Ohio [Mr. BETTS] is pointing out, was to merely supply an enforcement provision which is now lacking in the law in those cases in which it might be determined that discrimination existed.

Then, Mr. Chairman, as the gentleman from Ohio [Mr. BETTS] has pointed out, there is provision also in this measure for judicial review which would be available to anyone to appeal any final decision which the Secretary of Labor might make under this provision. I say "anyone" but I am talking about any legislature of a State.

Mr. BETTS. Mr. Chairman, I thank the chairman of the Committee on Ways and Means for his comments which in my opinion bolster the position which I have taken with respect to this section and this difference of opinion that has existed over many years.

Mr. Chairman, I just simply want to say that while it does not affect many other States, it affects the State of Ohio and it has been the subject of a great deal of discussion in the Committee on Ways and Means.

Mr. Chairman, I believe the issue has been met in a satisfactory manner and I certainly want to compliment the committee in not taking sides with either the States or the Maritime Commission.

Mr. Chairman, I ask unanimous consent that the gentleman from Pennsylvania [Mr. SCHNEEBELI] may extend his remarks at this point in the RECORD.

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

There was no objection.

Mr. SCHNEEBELI. Mr. Chairman, I rise to support H.R. 15119. This measure represents a constructive attempt to make needed improvements in our Federal-State unemployment compensation system. The committee's action in tabling H.R. 8282, the recommendations by the Johnson administration to federalize our unemployment compensation system, was a victory for commonsense and responsibility.

The administration's recommendations would have ignored 30 years of successful experience with our Federal-State unemployment insurance system by drastically altering it beyond recognition. The architects of the original Social Security Act—the Committee on Economic Security—recommended that broad discretion be vested in the States to provide the type of unemployment compensation program appropriate to social and economic conditions prevailing at the local level.

Provisions relating to eligibility, benefit amounts, benefit durations, disqualifications, and similar matters were left to the States to determine. A cardinal principle of the original law was the provision that reduced the tax rate applicable to employers with favorable employment records as an incentive to stabilize their employment—the so-called "experience rating provision." Those concerned with the original act were careful to separate elements properly part of unemployment "insurance" from assistance more appropriately provided as a form of welfare.

The administration's proposal, H.R. 8282, would have rejected the careful advice of the original architects of the system, the lessons of 30 years of successful experience, and commonsense, by providing a federalized program of unemployment insurance that would have standardized benefit amounts and durations as well as disqualifications, undermined experience rating, and resulted in a confusion of relief and insurance. Specifically, H.R. 8282 would have—

First, required every State to pay benefits equal to 50 percent of a claimant's wage up to, by 1971, 66⅔ of the average State wage of covered workers;

Second, in effect imposed a uniform benefit period on the States by providing that a worker who had 20 weeks of base period employment, or the equivalent, must receive at least 26 weeks of benefits at the State level;

Third, provided 26 weeks of extended benefits at the Federal level for insured workers who exhausted their State benefits. These benefits would have been payable regardless of the prevailing economic conditions;

Fourth, limited State disqualifications of individuals who voluntarily quit work, were fired for cause, or refused suitable work, to a suspension of 6 weeks' benefits. Under the administration's bill an individual would have been able to voluntarily walk off the job, and after a waiting period of 6 weeks, collect benefits for up to 1 years;

Fifth, repealed the provision of Federal law permitting the States to grant employers a reduced rate only on the basis of their favorable record with employment. This provision of Federal law, which has encouraged employers to stabilize their employment during the last 30 years, is known as the "experience rating" provision;

Sixth, extended coverage to any employer employing one or more at any time, to agricultural employees; and to employees of nonprofit organizations; and

Seventh, and raised the wage base of the Federal unemployment tax to $5,600 in 1967 and $6,600 by 1971.

The committee, in reporting H.R. 15119, rejected the administration's recommendations for Federal standards relating to eligibility, benefit amount, benefit duration, and disqualifications. In taking this action, the committee acknowledged the success of the Federal-State partnership in unemployment insurance over the last 30 years.

The committee enacted a program of 13 weeks of extended benefits, triggered in during periods of high unemployment either at the State or National level. By rejecting a program of 26 weeks of extended benefits, regardless of economic conditions, financed partly from general revenues, the committee has rejected the welfare approach to unemployment compensation in favor of the insurance approach. It is a sound program designed to accommodate the needs of our workers by insuring that the strength of the unemployment compensation system will be maintained.

Additionally, the committee strengthened and improved many of the essential features of the program. For instance, instead of repudiating experience rating as an incentive for an employer to stabilize his employment, the committee's bill strengthens it. Under the committee's bill, the States will now be able to extend experience rating to newly covered employers. Additionally, the increased wage base enacted by the committee will generate additional State revenues. Revenue needs have forced the States to impose minimum rates—ranging as high as 1.6 percent—on employers who have experienced no unemployment. The additional revenue provided by the wage base increase will enable the States to reduce the minimum rate on the basis of an employer's favorable experience rating, thus increasing the experience rating incentive to stabilize employment.

I do not propose to go into the intricacies of various features of the bill, for they have already been explained in the committee's report and the statements of other members of the committee. I think this brief discussion has been sufficient to show the contrast between H.R. 8282 and the bill we are considering today.

However, I do want to discuss the provisions relating to nonprofit organizations. Our nonprofit organizations have done a splendid job throughout our history in responding to social needs, often providing the individual creativity and pioneering advances that have been an important part of our Nation's success. Our society has been placing increasing reliance on solving its problems through the public sector, and the source of innovation and service provided by nonprofit organizations is maintained with increasing difficulty. Although this is particularly true in the area of private colleges, it is also true with other nonprofit organizations, such as hospitals.

The administration's recommendation provided for broad coverage of employees of nonprofit organizations. The administration's proposal would have covered nonprofit organizations employing one or more at any time, with minor exceptions. The States would have been permitted to tax the nonprofit organizations on the same basis as profitmaking businesses. Nonprofit organizations would have been required to pay the Federal portion of the tax. Professional employees, such as teachers, doctors, and similar licensed practitioners, who are rarely ever unemployed, would have been covered on the same basis as clerical and custodial employees.

Additionally, although nonprofit schools and hospitals would have been covered by the tax, there was no assurance that corresponding institutions run by the State would also have been covered. In short, Mr. Chairman, the administration's broad-brushed proposal was ill considered, failing to take account of the stabilized employment of exempt organizations, their basically nonprofit nature, and the peculiar functions that they perform in our society.

I am happy to say, Mr. Chairman, that in contrast to the administration's proposal, the Ways and Means Committee has extended coverage to nonprofit organizations on a carefully considered basis that is generally fair to all concerned. The Ways and Means Committee recognized that our nonprofit organizations—such as colleges, universities, and hospitals—are engaged in activities that do not fluctuate with the demands of the marketplace. Many of the people employed by nonprofit organizations are professional people, such as doctors and teachers, who are in short supply and who experience very little unemployment.

The demand for services provided by our nonprofit organizations is increasing as our population increases and additional funds are made available to provide for education and medical care. Because of the level of activity in our nonprofit organizations, their clerical and maintenance employees experience very little unemployment

The Ways and Means Committee therefore concluded that it would be unfair to tax nonprofit organizations on the same basis as profit organizations. The committee has recommended that nonprofit organizations be exempted from the Federal portion of the unemployment tax. Under the committee's bill, the States must allow nonprofit organizations the option of either reimbursing the State for unemployment compensation attributable to their employees, or paying the regular State unemployment insurance contributions. Additionally, the committee excluded from coverage professional-type employees of nonprofit institutions such as teachers, principals, physicians, and similar employees, recognizing that they experience very little, if any, unemployment and that the normal rules of availability for work are difficult to apply to their cases.

The committee's bill would require the States, as a condition of receiving the tax credit, to extend coverage to certain nonprofit organizations and to similar organizations run by the State. This would prevent our nonprofit organizations from being placed at a competitive disadvantage with the State institutions, as they would have been under the administration's proposal.

There are other features of the committee's extension of coverage to nonprofit organizations that recognize the harm that can come from too precipitous and broad an extension of coverage to these organizations, particularly when we have no historical experience to base our action on. Thus, the committee's bill would limit the extension of coverage to nonprofit employers of at least 4 workers in 20 or more weeks. Employees of schools other than institutions of higher education would be excluded.

Although the provisions extending coverage to nonprofit organizations are not perfect—since there are reservations about their constitutionality—they are in general an acceptable resolution of many difficult problems with which the committee was confronted. Compared to the recommendations of the administration, they are a testament to the careful evaluation the committee made of this area.

Finally, Mr. Chairman, let me say that the Ways and Means Committee is in no small measure indebted to the Interstate Conference of Employment Security Administrators for the workable and sound features of the legislation we are considering. The incongruity of the Labor Department asking for the establishment of a new advisory council after failing to consult the existing advisory council in preparation of H.R. 8282 has been pointed out in the concurring views of the Republicans on the Ways and Means Committee. Even more serious than the failure to consult the advisory council is the Labor Department's failure to utilize the expertise provided by the Interstate Conference of Employment Security Agencies. The interstate conference is an organization that is composed of the chief administrative officials in the unemployment compensation and employment service operations conducted in the 50 States, the District of Columbia, Puerto Rico, and the Virgin Islands.

The basic objectives of the interstate conference include efforts to improve the effectiveness of unemployment compensation laws and employment service programs, and, where desirable, to propose new State or Federal legislation in the field of employment security.

This organization has made a major contribution to our Federal-State unemployment compensation program through the years. It is widely recognized that members of this organization provide a collective body of experience and expertise that is unparalleled in the unemployment compensation field. They are in contact with the grassroots operation of the program and are therefore in a position to present the Federal Government with a great deal of information that it lacks. Despite this, the President of the Interstate Conference of Employment Security Agencies told the Ways and Means Committee:

> The interstate conference was not consulted about this particular bill during its preparation. Shortly before the bill was introduced the interstate conference legislative committee was shown a copy, not of the bill, but of draft language, which the Department said would probably be the bill. Until the bill was introduced the conference was not aware of exactly what its provisions would be, although we had seen and, of course, studied provisions similar to these over the years.

The Ways and Means Committee has attempted to correct these procedures. At the committee's request, the inter-

state conference submitted its recommendations for legislation. The Ways and Means Committee held 2 days of public hearings, which were printed, earlier this year to carefully evaluate the conference's recommendations.

Representatives of the interstate conference were present throughout all executive considerations during which the Ways and Means Committee considered the unemployment compensation proposals. The final bill reported by the committee reflects both the original recommendations of the interstate conference and the able technical assistance provided by these representatives during the committee's deliberations. These State administrators will be confronted with the task of implementing this legislation at the administrative level, and it was particularly helpful to the Ways and Means Committee to have their assistance. I am particularly grateful for the very effective assistance and fine contributions made by Jack Brown, the State administrator for my own State of Pennsylvania.

In conclusion, Mr. Chairman, the thorough and responsible consideration of the unemployment compensation system by the Ways and Means Committee has resulted in a proposal that is both responsible and constructive. While there may be minor disagreements about various provisions, I can tell the House that passage of this legislation will make a significant contribution to our American free enterprise system and increase the benefits that it provides our citizens.

Mr. BYRNES of Wisconsin. Mr. Chairman, I yield such time as he may consume to the gentleman from Montana [Mr. BATTIN].

Mr. BATTIN. Mr. Chairman, I take this time only to pay a special compliment to the Committee on Ways and Means on which I have the pleasure to serve as its newest member. My views on the legislation is set forth in the committee report so I will not repeat them now.

Certainly, Mr. Chairman, the time and effort that went into the consideration of this bill—a month of public hearings and 2 months of executive sessions—points out to me rather dramatically what a committee can do if it sets out to do a job.

Mr. Chairman, a special tribute, is in my opinion, due the chairman of the Committee on Ways and Means, the gentleman from Arkansas [Mr. MILLS], and certainly to our ranking member, the gentleman from Wisconsin [Mr. BYRNES], for the time and effort and dedication they gave to the writing and compilation of the facts in regard to this bill.

Mr. Chairman, it is my opinion everyone understands that it takes an enormous amount of time and effort to go through a bill of this complexion and at the same time come up with what the committee believes is a good bill and a bill which can be supported by both sides of the aisle.

Mr. Chairman, I again point out to the Members of the Committee of the Whole House on the State of the Union the hours and days—and we are talking about weeks—usually mornings and afternoons that went into the consideration of this important measure.

Mr. Chairman, a week in terms of its consideration in the Committee on Ways and Means 5 days a week and usually all day. We owe a debt of gratitude to the members of the committee and to our excellent staff.

Mr. BYRNES of Wisconsin. Mr. Chairman, I yield 10 minutes to the distinguished gentleman from Virginia [Mr. BROYHILL].

Mr. BROYHILL of Virginia. Mr. Chairman, I rise to support H.R. 15119 as reported by the Ways and Means Committee. The bill represents what is probably the most exhaustive consideration of our Federal-State unemployment compensation system that the Ways and Means Committee has made during the 30-year history of the program.

The committee held 3 weeks of hearings last fall during which all interested members of the public were invited to express their views on the administration's proposal. These hearings produced 5 printed volumes totaling 2,191 pages. During these hearings, the committee requested the State administrators—the Interstate Conference of Employment Security Administrators—to submit their recommendations for improving our unemployment insurance system.

Earlier this year the committee held 2 days of public hearings to explore the recommendations of the State administrators. Throughout the many weeks of executive sessions representatives of the State administrators assisted the Ways and Means Committee with their expertise.

This careful evaluation by the committee led the committee to repudiate the administration's proposal, H.R. 8282, to federalize the system.

H.R. 8282 was a poorly prepared bill designed to federalize our unemployment insurance program by enacting Federal standards relating to benefit amount, benefit duration, and disqualifications. This proposal would have undermined experience rating—the provision of Federal law encouraging the States to grant reduced credits to employers with favorable employment records as an incentive for employers to stabilize their employment. A permanent Federal program of extended benefits would have been established, providing 26 additional weeks of benefits—for a Federal-State total of 52 weeks—to insured individuals exhausing their State benefits. In short, Mr. Chairman, the Federal-State partnership would have been altered beyond recognition to the detriment of our citizens—as taxpayers, consumers, workers, and employers.

The Federal-State system of unemployment compensation has worked well through the years. This cooperative partnership has resulted in extensive improvement in the benefits that our unemployed workers received over the years.

Although the administration's case for federalizing the program was based on the theory that the States have not improved the benefits sufficiently through the years, this is simply not the case.

The record of State improvements is impressive. Through the years the States have—

First, substantially raised the average weekly benefits payable to unemployed workers;

Second, greatly increased the maximum benefit payable to unemployed individuals;

Third, significantly increased the duration over which unemployment insurance benefits are payable; and

Fourth, reduced the waiting period after unemployment begins during which no benefits are payable.

The unemployed individual today receives more benefits sooner for a longer period of time and can buy more real goods with what he receives than at any other time in the 30-year history of the program.

However, this does not mean that there cannot be improvements in the Federal-State system. It simply means that any real improvements should take place within the basic framework of the Federal-State system that has served our country so well over the last 30 years. This is the philosophy that guided the Ways and Means Committee during its deliberations, and it is reflected in the many constructive improvements in our unemployment system contained in H.R. 15119.

This bill, while certainly not perfect in every respect, makes many constructive improvements in the program. Thus, the bill establishes a permanent program of 13 weeks extended benefits, triggered in during times of high unemployment either at the State or Federal level. In 1958 and 1961 Congress recognized the necessity of providing additional protection to our workers during periods of high unemployment. This measure merely establishes on a permanent basis a program analogous to the temporary extended benefits provided during those years. In recommending this soundly financed program, the Ways and Means Committee is merely following the old adage of "providing for a rainy day" while the sun shines. It is a sound practice both with individuals and governments, Mr. Chairman.

The bill reported by the Ways and Means Committee also, in contrast to the Johnson administration's proposal, strengthens experience rating. The experience rating provision of Federal law has resulted in all States adopting provisions that grant reduced tax rates to employers who achieve favorable employment records. This reduced rate provides an incentive for employers who stabilize their employment on the theory that it is better to insure our citizens of a job than to compensate them during periods of unemployment. By permitting States to extend experience rating to new employers, the bill will strengthen this incentive encouraging the employer to avoid layoffs. The moderate increases in the wage base—the first in nearly 30 years—will also provide revenues that the States can utilize to increase the difference in the taxes now paid by the employers with very poor employment records and those employers with the most favorable records.

Due to the necessity for revenue at the State level, this differential has been inadequate to achieve the real purposes of experience rating in many cases.

One of the most worthwhile features of the bill, Mr. Chairman, is the provision that provides for judicial review of the Secretary's determination that a State plan is not in conformity with the law. Under present law, if the Secretary of Labor determines that the State's unemployment compensation plan is not in conformity with Federal law, the State has no alternative but to accept the Secretary's determination. Even though the alleged nonconformity of the State plan may be small in relation to the total operation, and even though the State is firmly convinced that it is in conformity with Federal law, the State must abandon its position or all of its employers will lose their credit against the Federal tax. The costs imposed by such a result are so burdensome that the States are forced into the position of supine acquiescence. This relationship is not consistent with the "Federal-State" partnership because it underemphasizes the role of the State in the planning process.

The committee corrected this situation by providing the States with the procedure for appealing decisions of the Secretary to the U.S. court of appeals within 60 days after the Governor of a State has been notified of an adverse decision by the Secretary. I commend the committee for recommending this provision which will most certainly enhance the health of our Federal-State system.

I noted earlier, Mr. Chairman, that the bill is not perfect in every respect, and I want to comment on a provision I do feel has deficiencies—the provision covering nonprofit organizations for the first time. The administration recommended broad coverage of our nonprofit colleges, universities, hospitals, and other organizations, in a manner failing to take account of the basic nature of the services these organizations perform. These organizations are not profitmaking organizations with economic objectives, but institutions whose humanitarian aims and social goals differentiate them from other organizations subject to the tax. Nonprofit organizations often employ professional employees, such as teachers, doctors, and nurses who experience little, if any, unemployment.

The coverage that the Ways and Means Committee provided is a vast improvement over the administration's proposal. The nonprofit organization will not be paying any portion of the tax. The States will be required to cover them, if the nonprofit organizations so desire, on a "cost basis." Since they will be paying only the costs attributable to unemployment of their employees, nonprofit organizations that do not experience any unemployment will not be charged anything. Additionally, the Ways and Means Committee excluded from coverage certain professional employees, such as doctors, teachers, school principals, and other officials.

Although I supported these changes in the Ways and Means Committee and commend the committee for rejecting the administration's approach, I do not feel that the changes go far enough. I feel that nurses are a professional group whose services are so in demand that there is no significant problem of unemployment, and that they should have been excluded with other professional groups. I also feel that the demand for the services of our nonprofit organizations is such that there is little danger of any of their employees experiencing unemployment. In view of the administrative burdens that our hospitals and universities are undergoing in adjusting to massive new Federal legislation, it would have been desirable to avoid imposing new administrative burdens on them at this time, particularly in view of the unlikelihood that they will cause any unemployment.

However, Mr. Chairman, despite these reservations, I do feel, as I stated before, that the bill before the House is a carefully considered proposal that will provide significant improvements in our Federal-State unemployment insurance system. Enactment of this bill will result in an improved Federal-State unemployment partnership that will redound to the longrun advantages of our economy and particularly to our workers, employers, and the general public. I recommend that the House pass this legislation.

Mr. BYRNES of Wisconsin. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I share a feeling of accomplishment with my colleagues on the Committee on Ways and Means in bringing this bill before you today. First, because it is a good bill. As the gentleman from Arkansas has mentioned, I introduced an identical bill to H.R. 15119. That bill carries the number H.R. 15120.

Second, I think it makes significant and important changes in our Unemployment Compensation Act. It updates that law, and makes some very desirable changes in it. The chairman has gone into the details of most of the changes. I will briefly mention some of the major ones.

First, the bill increases the wage base for the Federal unemployment insurance tax. This provides the basis for achieving real improvements in the experience rating concept which has been vital to the success of the unemployment compensation system that we enjoy in this country.

The bill also enacts a sound and permanent program of 13 weeks' extended unemployment compensation benefits during those periods when we have a high amount of unemployment and a high degree of exhaustions by beneficiaries either at the National or State level.

I should say this is a matter about which the chairman and I have been concerned for some years; namely, that instead of waiting until a time of emergency and of recession, and in such a period hastily enacting an extended-benefits program, that we should have on the books a system that is designed to be triggered in during these emergency periods to assure that those workers who exhaust their benefits do have an extended period to receive benefits while they are still looking for work.

I should mention at this point that the chairman and I a couple of years ago introduced companion bills to provide an extended-benefit program. The program that the committee has proposed to you today in this bill follows very much the proposal that we made at that time, although considerable improvements have been made in it as a result of the committee's work.

The bill also extends unemployment compensation benefits rights to some 3 million workers who have every right to have this protection, but who today are not assured of that protection, at least under the Federal law.

Another very important step forward, in my judgment, is that the bill provides for judicial review of determinations by the Secretary of Labor which under existing law can nullify the tax credit allowed for State unemployment tax if the Secretary decides that the State plan or its administration does not conform with the prescribed norms of the Department.

In my opinion these are significant accomplishments.

As the Republican members of the committee pointed out in our concurring views, the wage base has not been increased for the Federal tax since the program was first enacted some 30 years ago. Many States have found it necessary in order to do equity between its employers to increase the wage base for the State tax beyond the amount provided under Federal law. The demands of the unemployment compensation insurance system, coupled with a relatively low wage base on which to compute credits, minimize the extent to which credit could be given under the experience rating. The experience-rating concept thus, it seems to me, became diluted because of the inability to vary the minimum and the maximum rates within the State of the tax applicable to the relatively low wage base.

I would also point out that the increase in the wage base does not necessarily mean that any employer will pay more taxes to that State for unemployment compensation benefit purposes. He will pay more Federal tax for administrative purposes, but from the standpoint of benefit purposes, this does not mean that he will pay more taxes. It will all depend upon how the State itself adjusts their need for funds in terms of benefit needs, and adjust it within their experience-rated program. If the States adjust their taxes to reflect the greater latitude resulting from the increased wage base, the employer with a very good experience rating could in some cases be paying less taxes into the State fund for benefit tax purposes, rather than more taxes. However, as I point out, the bill does increase that part of the overall tax which goes into the Federal fund, part of which is returned to the States to cover administrative expenses, and part of which will be retained in the special fund to finance the extended benefits during periods of recession.

In my judgment, if we are to preserve a sound system, this increase is inevitable. Administrative costs have been increasing, but with a low wage base and

a fixed tax rate the resulting revenues available for administration have not increased in proportion to those increased costs. A part of the increase was needed to compensate for this deficiency.

But while I am on this point, may I suggest to the members of this Committee that I think it is time that we make a real review of all of the various services and the charges that are now assessed against the unemployment compensation tax, the administrative phase of it. In my judgment, many of these charges are questionable as to whether they should be charged against the payroll tax and the employers of this country rather than to the general fund and the general taxpayers of this country. I think we have gone far afield in some instances in the use of the funds that we have collected for administrative purposes under the Unemployment Compensation Act for the employment services. We have extended its activities into other areas—and I am not questioning at this time whether we should be providing those services as governmental services or not—but the question is, Who should bear the burden of the cost of these charges? It seems to me that is a question that we must consider at an early date.

The balance of the increase in the Federal portion of the tax is required to set up a fund in order to finance extended benefits in a time of recession. This is not a new concept. On two separate occasions the Congress has enacted programs to provide extended benefits in periods of recession and has levied special taxes to finance those benefits. I think all of us will agree that it is better to finance those benefits—to provide for that contingency—in times of high employment, when the tax will be relatively less, than to wait until we are in a recession in order to raise taxes to finance additional benefits.

No one likes to pay more taxes, and no Member of this House likes to vote for a tax increase. What we are doing here today, however, with respect to the tax rate and the wage base is essential I believe, if we are to maintain a sound and progressive program of unemployment compensation insurance.

Now, for those of you who may not like all that is in this bill—and let me say I think each individual member of the Ways and Means Committee might have had some change that he would have desired to have made in either the present act or in the bill as it is reported to you—let them at least take real heart from that which is not in the bill. Faced with the broad and sweeping proposals advanced by the administration, the committee has, in my judgment, brought to you today a reasonable and a sound bill, and, if anything, a bill that advances the autonomy of State systems rather than, as would certainly have been the course of events if we had followed the provisions of 8282, a greater centralization of authority and determination at the Federal level. It does not and should not prevent the States from initiating change within the broad framework of the Federal law.

The administration's bill—H.R. 8282—would have established Federal standards with respect to the amount and the duration of unemployment benefits, to which all State systems would have been required to conform. In addition, the bill automatically provided an additional 26 weeks of unemployment benefits—on top of 26 weeks prescribed as a minimum for State benefits—without regard to economic conditions. A worker might get 52 weeks—1 year—of unemployment compensation after having worked only 20 weeks immediately preceding his unemployment. The administration's proposal really was a first step toward a guaranteed annual income for everyone who had any attachment to the labor force, casual or otherwise. The adoption of this proposal would have converted the unemployment insurance system into just one big handout or dole.

The administration's approach to the problem of the long-term unemployed was to pay him for idleness, rather than rely upon retraining and relocation in order to find him a job. It was degrading to the individual, and accomplished nothing.

If a person is unemployed because the major industry in his community has closed down, or has moved away, or because his job there has been eliminated through technological change and automation, nothing is accomplished by paying him for 52 weeks of idleness, and then transferring him to some other program for retraining or relocation. By that time, his desire and capacity for work has deteriorated through months of subsidized unemployment. The solution to the long-term unemployed is not longer benefits, but more prompt recognition of their problem followed by training and relocation in order to fit them to a new job. This is essential to the overall well being of our society but is not a part of the unemployment insurance system.

I fully sympathize with the plight of the individual for whom there is no longer a job in his community, or in the economy of the Nation as a whole. He deserves our help. That help should be constructive, however, and not destructive of his dignity and morale.

Under the administration's recommendations, coverage for unemployment insurance would have been extended to just about everyone, except the housewife. Employers of one or more at any time would have been covered. Nonprofit organizations, such as hospitals, colleges, and schools would have been made subject to the act. The tax would have been levied against the wages of the teacher and the janitor alike. The wages of farmworkers, including migrant workers, would have been subject to tax.

With the exception of domestic servants, the administration would have made the unemployment insurance tax for all practical purposes coexistent with the social security tax.

In rejecting this concept, we were not unmindful of the fact that the migrant farmworker, or the casual handyman, or anyone else, might and could be unemployed in the sense that they were not then working. That was not the problem. The problem arises because for a sound program of unemployment insurance—and not just a handout—there must be a basis of determining that the claimant is unemployed through nonseasonal causes and is ready and available for work. If the individual's attachment to the work force is of such an intermittent or casual nature, or is strictly seasonal, it becomes impossible or impractical to determine whether the individual meets the conditions for unemployment benefits. To be "unemployed," you must first have been "employed."

Nothing is gained by taxing the employer on the wages of a casual or migrant worker, if the worker never becomes entitled to draw any benefits. And believe me, under the proposals advanced by the administration, the great bulk of those whose wages would have been taxed would never have qualified for unemployment benefits, not because they might not lack work, but because their attachment to the work force was such that they could not meet the subjective tests required in any sound system of unemployment insurance.

In addition, the administration's bill—that is H.R. 8282—made a two-pronged attack on the basic concept of insurance which is an essential element of the present unemployment compensation system.

Our unemployment benefit programs are truly "insurance" because first, the rates or taxes charged to the employer for these benefits for his employees is based upon his experience rating, just as any other form of insurance, casualty, fire, or workmen's compensation is based upon the experience rating or risk attributable to the particular insured.

Rates based on experience provide an incentive for employers to stabilize their employment—to keep workers on during intermittent slack periods and find other work for them rather than lay them off—because the unemployment benefit paid for the layoff is charged to the employer's account and is reflected in his taxes.

The same insurance concept also requires that the worker should not be compensated for a loss of employment which he brought about himself, through having voluntarily and for no good reason left his job, or for having caused his discharge from his job by his own action. The concept also requires that the worker—just as any other insured—take reasonable steps to minimize his loss. The worker must take other suitable work, if available. These elements are essential to any sound program of unemployment insurance.

Under the administration's bill—H.R. 8282—these concepts would have been destroyed. The provision in the law today, which requires that credits be given on the basis of experience rating, rather than arbitrarily or across the board, would have been repealed.

Similarly, a worker would not have been disqualified for benefits—only temporarily suspended for 6 weeks—if he quit his job for no reason whatsoever or was

fired for anything short of a crime, or refused to accept suitable work when offered to him.

Coupled together, these two proposals by the administration—which were rejected by the committee—would have nullified any incentive for employers to stabilize their employment. There would have been no burden or obligation on the worker to remain on a job, if it became at all distasteful to him or to take a new job if he did not like it.

We would have been encouraging the "drifter" as against the conscientious worker who might some day, through no fault of his own, become unemployed. Instead of conserving the funds available for the purpose of providing better benefits for that type of worker, we would dissipate the funds on those who really are not fully reconciled to working as a means of livelihood.

In the bill before you today, we reject the idea that unemployment compensation insurance should be perverted into just another welfare program. This would have been the result if it pursued the course outlined in the administration bill, H.R. 8282.

We reject the idea that the heavy Federal hand should clamp down on the autonomous State programs—which have been so successful over the past 30 years—we reject the proposal that Federal bureaucrats should direct the programs from Washington rather than leaving the programs in the hands of our State governments and State administrators.

The administration sent the committee a broad series of recommendations that would have destroyed unemployment compensation insurance as we now know it. The committee studied those recommendations and, instead, presents today a bill which will improve and strengthen the unemployment insurance system.

I would be remiss, Mr. Chairman, if I did not, during the course of these remarks, express to this Committee appreciation for the great contribution which I think the State administrators of these programs in the various States made to the Ways and Means Committee in helping us to bring to you this bill today. Their help, because of their practical involvement and their closeness to the problem was invaluable.

They gave of their time and they were away from home. They supplied people to be here who were experts in the various facets of the problem. They did this to be helpful to us and they made, in my judgment, a great contribution and were most helpful. Without their able counsel and advice, I doubt that we would have a bill here today that we could present to you with such unanimity of opinion.

I would conclude, Mr. Chairman, simply by saying that by the action we take today, we take a real step forward in our unemployment compensation systems. It is deserving of your support.

Mr. MILLS. Mr. Chairman, I yield 5 minutes to the gentleman from Texas [Mr. PICKLE].

Mr. PICKLE. Mr. Chairman, for 3 years it was my privilege to serve as a member of the Texas Employment Commission. In that position I had the opportunity to observe firsthand the working of the unemployment insurance program of my State. Although some people claim that many folks draw unemployment insurance who are not entitled to it, by and large, the person who draws benefits has earned them, and he draws them when he has credits and not unless he has credits.

There are certain weaknesses in the program, but I can say firsthand that in my opinion the unemployment insurance program is the greatest safety valve against depression this Nation has ever known.

It is an excellent program, if we will keep the general control of the establishment of eligibility and disqualification in the States and if we work it on a proper Federal-State level.

I believe the bill which the committee has reported is a healthy approach. It does retain for the States the general control of eligibility and disqualification requirements. As such, it keeps it basically on the same level the program was intended to be maintained when adopted by the Congress some 30 years ago.

We might disagree with some of the provisions, but this is a good, healthy modernization of the program, and I endorse it.

I should also like to make the observation that in the bill there is a provision for judicial review, as was mentioned by the gentleman from Wisconsin. I introduced a similar measure 2 years ago, H.R. 9511, which would have provided for judicial review. This is a most healthy development, and one which should be passed.

Members do not fully realize how heavy a hand the Federal Government might exercise over a State by control of these trust funds. In my own State we have a trust fund, which we maintain at a certain level. If it ever drops below that level it is automatically built back up, so that our State fund will remain solvent; yet, at any one given hearing, if the Secretary of Labor were so to decide, he could hold the administration of our funds and of the entire trust fund out of conformity.

The provision in this bill is a fine provision and one which should be made available.

I certainly compliment the chairman of the committee and the members of the committee, and particularly my colleague from Texas, the Honorable CLARK THOMPSON, for the excellent work which he and they have done on this bill.

It was my privilege to visit with many administrators who came up from my State and, like the gentleman from Wisconsin, I believe they made an excellent contribution.

I endorse the legislation, Mr. Chairman.

Mr. Chairman, as has been mentioned, I served as a member of the Texas Employment Commission for approximately 3 years, from 1960 to 1963, and while acting in that capacity, I served on the legislative committee of the Interstate Conference of Employment Security Agencies. My association with the program made it abundantly clear to me that provisions should be made in the Federal law for judicial review of the findings and decisions of the Secretary of Labor on questions of conformity and compliance relating to the various State programs. Thus, I introduced H.R. 9511 which would accomplish this purpose, and which in effect, is included in this bill.

Under the present Federal law, the administrative findings and decisions of the Secretary of Labor are final and conclusive. They are not subject to review by the Federal courts. The State has no right to appeal an adverse finding by the Secretary.

For a number of years the Interstate Conference of Employment Security Agencies has believed that such power in the hands of a single Federal administrative official, which can affect virtually the entire citizenry of a State, should properly be subject to review by the Federal courts. I want to assure the committee that my position is not directed to any one individual. Instead, it is based on the elementary principle that the acts of any public administrator should be subject to review by the appropriate court.

A former Secretary of Labor publicly announced that a decision of his or any other individual in his position, being only one individual without the wisdom of Solomon, for the protection of the program and the protection of the public, should be reviewed by the Federal courts. To demonstrate his firm conviction in this matter, he later requested Senator Knowland to introduce a bill to provide for judicial review of the findings and decisions of the Secretary of Labor.

It has been previously pointed out to this committee that the severe penalties exacted by the statutes when the uncontrolled discretion of the Secretary is exercised is of grave concern to the States. This is particularly true when it is recognized that the employment security program in this Nation is operated as a partnership between the Federal and State Governments. It was clearly the intent of Congress when the program was originally enacted that it should be operated as a partnership; otherwise, Congress would have established a Federal program.

In setting up the present program, Congress provided certain restrictions and limitations which the States were required to meet in order to obtain Federal funds to finance the administration of their respective programs. The Secretary of Labor was given final authority to determine whether the State laws met the Federal requirements, and if he did not so find, he was authorized to deny funds to the States for the administration of the program, and the tax offset credit allowed to employers in the State would also be discontinued.

There has been some contention that the Federal Administrative Procedure Act gave the States recourse to the courts from an adverse finding of the Secretary. However, it should be pointed out to this committee that no such recourse is provided for by the Federal Administrative Procedure Act. Clearly, section 1009 of that act excepts from its provisions such matters of agency action which are, by

law, committed to agency discretion. Under the Federal statutes in question, numerous matters are expressly committed to the Secretary of Labor. It has been pointed out that in no less than 30—perhaps more—Federal statutes specific provision is made, for judicial review of the agency action. In addition, I would like to point out that in the 1964 New Hampshire conformity hearing held by the Secretary in May of that year, the attorney for the Secretary stated on the record that in his opinion the provisions of the Administrative Procedure Act did not apply and further that this opinion had been discussed with the Department of Justice, and the Department of Justice was in agreement with the opinion.

Finally, I would like to point out that the States cannot risk seeking a court decision to determine whether the Administrative Procedure Act provides recourse to the States for judicial review under the Federal Administrative Procedure Act. If a court decision was sought on this question and it should ultimately be held that judicial review was not available under such act, the States would suffer extremely severe penalties.

I would like now to review a few of the compliance and conformity questions which have been raised by the Bureau over the past years. In the majority of instances, because of the unavailability of judicial review, the States have been forced to capitulate under the threat of denial of offset tax credits or administrative grants, or both. In addition to the "threats," there have been several hearings on matters involving compliance or conformity matters between the Federal Government and the several States.

In one case the California Supreme Court in a situation concerned with maritime workers determined that certain work was not "new work" under the California act. The Secretary's representatives decided the court was wrong and ordered the State to defy the court decision. The California agency refused, and a hearing was held by the Secretary's representative. Both management and labor joined in the fight. The Secretary's position was clearly wrong, and a panel of professors appointed by the Secretary to advise him in the matter so informed him. The Secretary's final ruling was that the State had not failed to "conform."

In the State of Washington in another proceeding also involving the interpretation of the term "new work" of section 3304 of the Internal Revenue Code, the Secretary found the State agency to be interpreting its law in a "nonconforming" manner. The Washington agency had no choice but to yield to the Secretary's ruling and interpret its law to produce a result it believed to be contrary to the law.

In the State of New Jersey a question arose regarding the procedure to be used on appeals by claimants from denial of benefits. The Bureau questioned the procedure on the grounds that it did not afford the claimants an opportunity for a fair hearing as required by section 303(a)(3) of the Social Security Act. The State's procedure was modified after consultation with the Bureau.

It might be of interest to point out here that the Bureau of Employment Security in the New Hampshire conformity hearing in 1964 declared that the State agency was not entitled to a hearing on a ruling with respect to conformity or compliance with the provisions of section 303(a)(3) of the Social Security Act. This is an ironic situation. The State agency was held out of conformity because it failed to provide a claimant an opportunity for fair hearing under section 303(a) of the Social Security Act; yet, in the opinion of the Secretary, the State agency under the same provision is not entitled to a hearing on an adverse decision of the Secretary. Thus, without judicial review, the Secretary's discretion is completely uncontrolled and can even be contradictory.

In still another case in Oregon in 1938, a controversy arose over whether the State's definition of the term "labor dispute" in its unemployment compensation law conformed with the provisions of the Federal Unemployment Tax Act. It was ruled that the State law was out of conformity with the Federal requirement. This dispute had to be resolved by legislative amendment in Oregon in 1939.

In still another case the State of Alabama enacted legislation which provided that when an employer's business was adversely affected by a disaster, the benefits paid due to resultant unemployment would not be charged to his experience account for rate calculation purposes. The Secretary ruled "nonconformity" and the agency was forced to declare the law inoperative.

In still another case Arizona had its employment service taken over by the Federal Bureau because the administrator of the State employment security agency had other duties assigned to him.

Two years ago, two hearings were held by the Secretary of Labor on the matter of conformity and compliance, which show how far the Secretary may go in holding a State out of conformity. As a matter of fact, at the New Hampshire hearing when some seven States appeared and testified, it was established that the position of the Secretary was so completely unfounded that after the hearing by the hearing examiner, the Secretary dismissed the proceeding without ruling on the issue.

In the South Dakota case after extensive correspondence and telephone calls between the South Dakota agency representatives and representatives of the Bureau, the agency was notified that the Bureau would provide an informal hearing before the Assistant Secretary of Labor. No ground rules or procedures for the hearing were set forth. Testimony previously afforded this committee showed that the hearing was "informality" personified. There was no procedure, no record taken, and no presentation of the Bureau's position. The ruling as finally given by the Secretary found that the legislation in question was not in conformity. Because of the feeling that there was a complete lack of fairness to the South Dakota agency, the South Dakota Legislature reenacted the disputed legislation providing that if, after a fair hearing, the Secretary of Labor ruled against legislative enactment, the Governor could, by executive order, render the enactment inoperative. Subsequently, a hearing was scheduled and procedures mutually acceptable to all parties were provided, and after the hearing the Secretary again ruled that the legislation did not "conform."

The handling of the New Hampshire and South Dakota conformity cases only last year clearly demonstrates that judicial review of conformity and compliance decisions of the Secretary of Labor adverse to the States should be provided by Federal law. Otherwise, the States in this Nation can look for no better treatment than that afforded to the New Hampshire and the South Dakota agencies.

It seems to me that the right of appeal—without slowing down or stripping the Secretary of any immediate rights of administration and which in no way would render the Secretary immobile or left at the mercy of any State official—is desirable, reasonable, and democratic. Without judicial review of some kind, the control of the Secretary might be unfair and unreasonable.

The threat of nonconformity is greater than any of you might think. In my State of Texas, we keep our trust fund in as good shape as possible so that we will always be solvent and thus be able to take care of any unusual demands against the fund in case of recession or depression. When I was on the commission, we put a floor of $225 million under our trust fund, and any time it dropped below that figure, the employers of our State would be taxed across the board one-tenth of 1 percent for each $5 million the sum dropped below the floor until the fund was again above $225 million. Obviously, we felt that Texas should take care of its own unemployment, and not call on the Federal Government or other States to bail us out of difficulties. But it is readily seen that any time a Secretary of Labor can rule us out of conformity he has in his power the possibility of taking over our entire trust fund—whatever its amount. Believe me, that is a threat that hangs over the heads of all the States—all the time.

Mr. ANNUNZIO. Mr. Chairman, I rise in support of H.R. 15119, the Unemployment Insurance Amendments of 1966, which is presently being considered by the House of Representatives.

The need for this legislation has been amply demonstrated during the extensive hearings held by the House Ways and Means Committee under the able chairmanship of my distinguished colleague from Arkansas, Hon. WILBUR MILLS.

The reliability of the Federal-State unemployment insurance system, which was instituted in 1935, was also brought out in the hearings. In referring to this system, the Secretary of Labor, Hon. Willard Wirtz, stated:

> It has kept millions of men and women and their children from what would otherwise have been personal as well as financial bankruptcy, and has stabilized the economy

and probably kept it from time to time from complete collapse.

Certainly, no greater endorsement could be extended to any Government program.

The responsibility which faces us now is to revise and bring up to date the existing unemployment insurance law in order that it may continue to meet the needs of our people and our country. The Committee on Ways and Means, after broad study and intensive deliberations, has given us just such a bill.

The committee bill, H.R. 15119, is designed to guarantee to the involuntarily unemployed person sufficient income to meet nondeferable expenses, but at the same time, this income is not so high as to deter him from seeking employment. And, by guaranteeing this income to unemployed persons, their purchasing power is bolstered during periods of high unemployment, and our economy as a result is stabilized to a great degree.

H.R. 15119 strengthens and improves the existing unemployment compensation program in various ways. First, it extends coverage by 1969 to about 3 million additional workers, who are not now covered, bringing those protected by unemployment compensation to a total of about 52.7 million persons.

Second, an important new provision for judicial review has been included in the committee bill. H.R. 15119 would, for the first time, allow a State to appeal in a U.S. court of appeals, decisions relative to the unemployment compensation program rendered by the Federal Government.

Third, the Unemployment Insurance Amendments of 1966 would establish a permanent program of extended compensation. This provision is vital to our economy because all too often unemployment today is the result of the permanent loss of a job to a machine. The worker then needs to retrain himself and acquire a new skill before he can be reemployed. A permanent program of extended coverage would give just such an individual the time needed to learn a new skill and reenter the labor market.

And finally, H.R. 15119 would bring up to date the financing of the unemployment insurance program by increasing the tax rate and the taxable wage base now in effect. Increasing the tax rate would insure the economic feasibility of the program. Adjusting the taxable wage base, which has not been changed since 1939, would provide a more realistic relationship between taxable wages and total wages of workers subject to the tax.

Over 2 years ago, in his manpower message, President Johnson recognized the need for major improvements in the unemployment insurance program and called for action by the Congress to meet the changing needs of our people and our economy.

It remains our responsibility to meet the challenge of our times by enacting the urgently needed Unemployment Insurance Amendments of 1966. I urge my colleagues to join me in meeting that challenge and in providing for the needs of the American people by supporting H.R. 15119.

Mr. McMILLAN. Mr. Chairman, I want to take this opportunity to congratulate the gentleman from Arkansas [Mr. MILLS], the great chairman of the Ways and Means Committee, and all the members of his committee, on rewriting H.R. 8282 and presenting to the Congress H.R. 15119.

I realize that under the Truman, Eisenhower, Kennedy, and Johnson administrations, there has been an effort to have Congress enact legislation of this nature. However, I, as one Congressman, continue to feel that this is unnecessary legislation and if I could have my own opinion enacted into law on this subject there would be no unemployment compensation during times when every person in the United States can secure a job if he desires to work. I realize we have thousands of people in the United States who are unable to work and they should be taken care of by public welfare, social security, and other agencies already operating under the jurisdiction of the Federal and State governments.

I certainly do not believe that this Congress would ever enact H.R. 8282, a bill of a similar nature that has been pushed by the administration and some of the members of the minority.

I was elected to serve in the U.S. Congress on a private enterprise platform and I have never changed my mind on that subject. We can continue to have everyone look to the Federal Government for a handout all for security to the extent that we will soon be in the same category with Russia where everything is handled by a central Federal Government including the farms.

I cannot conscientiously support this proposal, H.R. 15119, even though it is in my opinion approximately 100 percent better than H.R. 8282 which has been before the Congress since the beginning of the 89th Congress. Again, I want to thank the Ways and Means Committee for abandoning H.R. 8282 and using as a substitute, H.R. 15119, which I believe we can live with even though I still contend it is absolutely unnecessary to have legislation of this nature enacted at this time.

I realize that I may be old fashioned in my thinking on this subject. However, if our Government is to remain solvent, we should require every person drawing unemployment compensation to perform some type of work to earn the money he receives rather than being presented with a free handout from the Federal Government.

There are millions of jobs in the United States where the unemployed people could be of assistance not only to the Federal Government but the entire communities where they reside.

I hope this bill will be defeated. However, from the tone of the speeches being made on the floor of the House today, I am certain it will pass the House by a large majority.

Mr. MINISH. Mr. Chairman, according to an old adage, yesterday's radicalism is today's conservatism. Something similar could be said of the Social Security Act which was enacted in 1935 amid many dire predictions of failure and catastrophe to be met upon an uncharted sea. Yet, how many do we find today who are in favor of repealing that act and doing away with the programs of social insurance and public assistance that it established?

At the same time, the Social Security Act was not a perfect instrument when it was enacted, nor is it one today after the adoption of many improvements and refinements over the years.

One of the two social insurance programs of the Social Security Act is unemployment compensation. The other is, of course, the old-age, survivors, and disability insurance program.

The Federal law governing unemployment compensation has, I think, experienced the least amount of development over the years of all of the programs contained in the Social Security Act. It has been the least subject to change to meet the newer and substantively different needs of an expanding and changing economy.

Many landmark statutes have been approved during the last three Congresses to better the lot of the disadvantaged segments of our American society. To name but a few, there was the Area Redevelopment Act enacted in 1961, the Manpower Development and Training Act of 1962, the Economic Opportunity Act of 1964, and the Public Works and Economic Development Act of 1965, which broadened and improved upon several preexisting programs.

Thus, while legislative accomplishments to aid the economically distressed have been made, there is still one important goal that has not yet been reached. This is a bringing up to date of our unemployment compensation system, which is now entering its fourth decade on the statute books.

While it is true that the scope of unemployment is much less today, at around 4 percent of the labor force, than was the almost overwhelming rate of 20 percent that existed during the depression years that engendered the enactment of the unemployment compensation programs, the causes of unemployment which raise the problems that we are faced with today are vastly different from those that existed in the past. One of the chief troublemakers in the employment market today is the obsolescence of skills at an ever-increasing pace. Another is the dislocation of whole areas or industries, while the economy as a whole steams ahead leaving in its wake the workers from these areas and industries, the long-term unemployed.

Today's problems call for new remedies. We have started to build an arsenal of new remedies with the retraining and other programs that have been adopted. I believe that improvements in our unemployment compensation system must be added to this arsenal.

Most workers who find themselves among the long-term unemployed today have national causes to thank for their plight. As our economy has developed and become more efficient it has also become less independent in its parts. The powers of individual employers or States to provide adequate remedies for those who are forced into unemployment for extended periods are limited. Theirs is

a problem for which the entire country must accept some responsibility.

To handle the problems raised by the types of unemployment that arise in our economy today I introduced legislation in the 88th Congress and again in this Congress to update and improve the system. The inadequacies of the existing program are demonstrated by the fact that on two occasions it has had to provide temporary unemployment compensation for the long-term unemployed and to otherwise assist the State systems. A constructive overhauling of the system must include extended benefits for the long-term unemployed, minimum benefit amounts, equalization grants, and extension of coverage to new groups of workers.

It is most regrettable that the Ways and Means Committee has not seen fit to approve many of the proposals contained in the legislation sponsored by me to meet the deficiencies in the existing system. The committee bill fails to face up to the urgent need for enacting basic amendments to the Federal unemployment insurance laws. Nevertheless, the pending measure marks a degree of progress in meeting our obligations in this area. I therefore will support H.R. 15119.

Mr. COHELAN. Mr. Chairman, a clear and urgent requirement exists to update our Federal-State unemployment insurance system.

Thirty-one years ago, with the Social Security Act of 1935, this country made a basic commitment to insure its workers against the hardships of involuntary unemployment. The wisdom of this policy, both in terms of the individual workers that were covered and the national economy, has been documented repeatedly during that time.

But, while significant changes have been made during the last 31 years in other aspects of the social security program, no major improvements have been made in the unemployment insurance system that would enable it to keep pace with the times.

Cast in this perspective, the committee's recommendations which we are considering today are shortsighted and a severe disappointment.

I am particularly distressed, Mr. Chairman, that the committee has ignored the plight of America's farmworkers by refusing to bring even a limited number under the protection of the act.

What justification is there now, or was there ever, for singling out this group of workers and systematically denying them the protection of almost every piece of Federal and State social welfare legislation? We have all heard arguments that farm employment is different and that therefore the agricultural industry is entitled to certain exceptions.

Well, I agree that farm employment is different, just as the work in a steel mill is different from the work in a dress factory. The work may be different but the workers' need for a decent wage, for decent working conditions, and for some reasonable degree of insurance against involuntary unemployment is not diminished because he labors in the field instead of the factory.

I do not think it is asking too much of Congress to remove this badge of exclusion, of second-class citizenship, from one of our oldest and proudest occupations.

I am also concerned, Mr. Chairman, that the committee has completely eliminated the Federal benefit standards originally proposed in H.R. 8282.

From its inception, the goal of the unemployment insurance system has been to assure workers unemployed through no fault of their own, a weekly benefit sufficient to meet their essential living costs but not too large to decrease their incentives to find new work.

Unfortunately, benefits have not kept pace with increases in wages, or the cost of living, and the program has lost ground. The standard of a weekly benefit equal to at least half of a worker's usual weekly wage, which has been sought by every administration beginning with President Eisenhower in 1954, and which is accepted by the Interstate Conference of Employment Security Agencies, has simply not been maintained.

In 1939, for example, when benefits first commenced, 49 of the 51 existing jurisdictions had maximum weekly benefit provisions of 50 percent or more of the State's or territory's average weekly wage. Today this is true in only 18 States.

In 1939, 34 States had maximum benefit levels equivalent to 60 percent or more of average weekly wages. Today that figure has dwindled to one.

The record is clear that present standards are inadequate and that this bill is seriously deficient in not providing for them. If amendments were permitted under the rules governing consideration of this measure, I would offer them in both of the cases I have discussed. Since they are not I can only urge the other body to consider the arguments we are making here today and make the necessary adjustments before final action is taken on this bill.

Mr. Chairman, I will support this bill, albeit reluctantly, because it includes several constructive provisions which represent important improvements in the present program. Particularly, I support the step that would bring an additional 3.5 million workers under the coverage of the act, including nearly 2 million employees of nonprofit organizations. I also support the extended benefits to workers who in periods of high unemployment find their basic entitlements exhausted. The inadequacy of the present program in this regard is clearly documented by the emergency action which Congress found it necessary to take in 1958 and again in 1961.

But I sincerely hope that this bill can be strengthened before we complete action on it. Thirty years is a long time to wait for the first comprehensive review and revision of a measure of this magnitude. Let us strive to insure that our actions more adequately reflect our experience of what is required.

Mr. ADAMS. Mr. Chairman, I support the unemployment compensation bill, H.R. 15119, which will extend additional benefits to many employees not presently covered and will increase the compensation available to others. All of us who support these bills have a deep responsibility to be certain that the programs authorized operate successfully. I have been troubled by the fact that in my district and throughout the entire Seattle-King County area we have recently experiended a labor shortage, while at the same time the Washington State Employment Security Department is paying unemployment compensation benefits to a number of individuals and the State welfare department is making grants to many more on its rolls.

We recently held a conference in Seattle with business, labor, and government officials to determine how we could better use the local individuals being carried on the public rolls to meet the labor shortage so we reduce the number of unemployed and welfare recipients on the public roles and avoid an additional strain on our schools and other public facilities which would be caused by a mass importation of labor from other areas.

I have also supported the Economic Opportunity Act and am in support of the present Federal welfare assistance given to the various States. I was pleased therefore when we recently established in Seattle a new coordinated training system utilizing the programs available in the Labor Department, Department of Health, Education, and Welfare, and Office of Economic Opportunity to work on the problem of training the unemployed. I want to be certain, however, that we are reaching the true problems in this area and that we are not wasting funds by following outmoded procedures. One of the basic problems to be examined is how Federal funds are being administered by State agencies under the particular standards of each State.

Because of the apparent inconsistency between "unemployment" and a "labor shortage" I have inquired as to why we are paying unemployment compensation and making welfare payments to a considerable number of people while we are experiencing a labor shortage. In response to my inquiry, Mr. Walter Woodward, of the Seattle Times, conducted an investigation and has recently published a series of articles outlining what is occurring in the State of Washington in the Federal-State area of unemployment compensation and welfare.

I am including these articles with my remarks at this point in the RECORD because I believe they will be of interest to my colleagues. These articles indicate a continuing examination of this whole area of activity is necessary.

[From the Seattle Times, June 14, 1966]

WHY PAY JOBLESS IN LABOR SHORTAGE?

(By Walt Woodward)

(First of a series)

Why should Seattle-area residents draw unemployment compensation when 10,000 or so jobs are going begging?

Many an irate taxpayer—particularly an employer paying unemployment taxes—has asked that question. It was given a new point of reference last week when Representative BROCK ADAMS, announcing $700,000

in Federal funds to aid the Seattle-King County war on poverty, said:

"We should not be carrying thousands on unemployment compensation when we have a labor shortage."

At the request of The Times, four top officials of the State Employment Security Department discussed the congressman's statement. This series is a report of that discussion. The officials are:

M. T. Hewitt, chief, programs and methods, and Thomas Hillier, reviewing officer, both from Olympia, and James Scanlan and Howard R. Dishman, both of the Seattle office.

In the first place, they do not deny the congressman's premise.

"Our most important job is putting people to work," Scanlan says.

Neither do they particularly object to Adams' contention that there must be a "massive improvement" in the department's screening practices to move "able-bodied men and women off public rolls and onto private payrolls." Dishman puts it this way:

"We recognize we need a more sophisticated approach. We can and do match a job opening with a worker who is experienced in that job. But we are weak in our present ability to refer a worker who has had no experience in that job but who may have latent abilities to fill it.

"We are working on this. Nationally, occupation categories are being refined. Whether this is going to take massive investment in expensive computers, we do not know. But we must try to do a better job in this area."

The four officials do say, however, that there are many reasons beyond their control which contribute to unemployment-compensation payments even in a time of labor shortage.

But first, some basic facts. For instance, how many "thousands" now are drawing unemployment compensation? No so many as there used to be.

For the week ending June 4, there were 3,793 persons on "U.C." in King and Snohomish counties. This was 17 per cent less than the 4,566 for the previous week and a whopping 55 per cent less than the 8,409 for the same week a year ago.

In the week that ended June 4, 557 applied for unemployment compensation. While this may shock those irate taxpayers, that figure is 55 per cent less than a year ago.

Just to keep the record straight, those 3,793 persons by no means are the total unemployed in the area. Many others have exhausted benefits—a maximum payment of $42 a week for a maximum of 30 weeks. Other unemployed persons have no work experience and, therefore, are not eligible for unemployment compensation. If they are in trouble financially, they receive welfare assistance.

Scanlan says the latest available unemployment count for King and Snohomish counties is 12,300 persons. That is a dramatic slash of about one-half of the 25,000 figure used just a year ago.

The mid-June count probably will be higher. Schools closed last week for summer vacation. Statistically, the "unemployed" must include everyone older than 14 years, even though this state's laws restrict the jobs which youngsters up to 19 may accept.

But if this area's total unemployment figure is around 12,000 persons, then about one-third of them are drawing unemployment compensation in a time when jobs are going *begging.*

[From the Seattle Times, June 15, 1966]

"ROCKING-CHAIR MONEY" FOR SEASONAL WORKER IS ISSUE

(By Walt Woodward)

(Second of a series)

The contention by Representative BROCK ADAMS that "we should not be carrying thousands on unemployment compensation when we have a labor shortage" immediately reminds many persons of "rocking-chair money."

And that reminds them of seasonal workers, such as those in the fishing and timber industries, who draw unemployment compensation as soon as their "season" ends.

The legislature has been the scene of many a political battle over the issue of whether a seasonal worker should be eligible for unemployment compensation during winter months.

Well, what are the facts?

The last annual report of the State Employment Security Department, for the fiscal year ending last June 30, showed 58,051 "covered" lumber and wood-products (except furniture manufacturing) workers eligible for unemployment compensation.

Of these, 17,270 did file unemployment-compensation-payment claims. Of those who filed, 9.5 per cent (or 1,641) exhausted their payments.

That is, 1,641 lumber and wood-products workers took full advantage of the unemployment-compensation law, which allows 30 weeks of payments up to $42 a week.

The department's report also shows the average annual pay of lumber and wood-products workers to be $4,900. The maximum which unemployment compensation could have added is $1,260 for a total of $6,160.

The department's report is not so exact on fishing. It lists only employes in the fishing industry. This means cannery and other dockside workers as well as the actual fishermen. In any event, 3.022 were "covered" and eligible for unemployment compensation. Claimants totaled 1,464 and, of these, 23 per cent (or 337) exhausted their payments.

The departmental report lists the average annual wage in the fishing industry as $3,300. But that does not shed much light on what a fisherman earns. Maybe some Puget Sound salmon fishermen "starved" last year while their Bristol Bay brothers "struck it rich"—a wide range from, perhaps, $3,000 to $16,000. Maybe a halibut fisherman averages $8,000. This writer does not know what the "average" fisherman's wage is; maybe there is no such figure.

So there is the record of two groups of seasonal workers who, for years, have been accused in some quarters of making much money in the summer and then taking "rocking-chair money" the rest of the year.

The record shows that only 3 per cent of eligible timber workers and 11 per cent of eligible fishing-industry workers took all the unemployment-compensation money they could get. Of those who claimed something less than maximum benefits, it was 29 per cent for timber workers and 48 benefits, it was 29 per cent for timber workers and 48 per cent for those in the fishing industry.

Sixty-nine percent of timber workers claimed none; 41 percent of fishing industry workers claimed none.

What happened to those who either claimed none or only some? They either made it through the year in that fashion, or they found other employment.

In the case of timber workers, many of them remained employed the year round, for the timber industry in recent years has made great strides in permanent employment. The fishing industry, governed by man's closure regulations and nature's fish runs, cannot do this.

Those who did find other work did so under a handicap. Many employers do not like the idea of training and employing a person who, come summer, is going to resign for his "regular" work.

In the final analysis, it comes down to a state unemployment-compensation law which permits a seasonal worker to draw unemployment compensation when he no longer can find suitable work.

[From the Seattle Times, June 16, 1966]

WHY JOBLESS ON ROLES IN BOOM

(By Walt Woodward)

(Last of a series)

Why, as Representative BROCK ADAMS asked, do we have 3,793 persons drawing unemployment compensation benefits in King and Snohomish Counties at a time of extreme labor shortage?

These are some of the reasons given by top officials of the State Employment Security Department:

1. Many of the compensation recipients do not have skills demanded by employers.

2. Job specifications are considerably higher than they were a decade ago, and much higher than they were 20 years ago. The demand for unskilled workers is much less than it once was.

3. Time is needed while inexperienced workers are trained and while employers revise and lower their specifications.

4. The department admits it must develop a more sophisticated procedure so that it not only can match an employer's demand with a person experienced in that field, but also with an inexperienced worker who has latent abilities in that line of work.

5. About half of the unemployment-compensation claimants are women. Women, up to now in the King-Snohomish situation, have not been called by employers as much as they were during the Second World War labor shortage.

Finally, department officials come down to the state law under which they must administer unemployment compensation. As Howard R. Dishman, in the department's Seattle office, puts it:

"Among compensation-covered employees, we now are down to a 1.2 percent rate of unemployment, a record low which is more than one half less than what it was a year ago. Yet 2.5 percent is widely quoted as being the factor below which you rarely go because of something we call frictional unemployment.

"You see, we do not administer the Unemployment Compensation Act solely on the basis of a short labor market."

Frictional unemployment is the "trade" name for the time lag between a resignation or dismissal and the time of hiring in a new job.

It covers the situation while a person looks around for a better job or for a higher-paying situation. State law says he may do so.

The law specifies that a person cannot claim unemployment compensation if he refuses "suitable work." The law tries to define "suitable work," but not in terms which are too specific. For example, "suitable work" must involve the factors of a worker's health, safety and morals.

Morals? You bet. The department discovered—in a recent Superior Court ruling—that it is required to give unemployment compensation to a Seventh Day Adventist who refused, on religious grounds, to accept a job requiring her to work on Saturday.

The law adds these other "suitable work" factors: ". . . prospects for securing local work in his customary occupation" (you can draw unemployment compensation while "waiting" for a job in your field) . . . "the distance of the available work from his residence" (you can draw unemployment compensation if the only job is a long way from home).

What is more, the law flatly says that "if the remuneration, hours, or other conditions of the work offered are substantially less favorable to the individual than those prevailing for similar work in the locality," the job hunter may claim unemployment compensation (you do not have to accept a low-paying job).

Employment Security Department officials do not voice any opinion as to whether the law is good or bad. Mostly merit-system ca-

reer people, they simply try to administer the law as given them by the Legislature.

But they are frank to say that the law's "suitable work" provision accounts, in large part, for those relatively few members of the work force who are drawing unemployment compensation.

Mr. KARSTEN. Mr. Chairman, I rise to express myself in support of the committee bill, H.R. 15119, and for the improvements it will bring to the unemployment insurance program.

These improvements will do a great deal toward helping 3½ million people whose occupations are similar to those in covered employment but who have been left, from the beginning, outside of any wage insurance protection. The bill will also add additional weeks of benefits in recession periods and in a small way will help reduce the number of persons in such times whose benefits are cut off before they have found employment.

In supporting this measure, I do not feel we need to overemphasize what it will do nor underestimate what it will not do. Many Members in this House, including myself, are aware that the unemployment insurance system is in need of more changes than those represented in this measure. The historical decline in the benefit amounts relative to the weekly income of wage and salary employees requires that the Federal Government should establish benefits standards for the States. The fact that this bill fails to include such standards does not mean that the Congress can long continue to close its eyes to developments.

The unemployment insurance system in the United States is both a Federal and a State program in which the funds are raised through Federal taxes and returned to the States under certain conditions. I believe that one of those conditions should be nationally defined minimum benefit levels for both the weekly amount and the duration of benefits.

In saying this, I also want to make clear that these changes would in no way alter the basic Federal-State structure. There are many respects in which States would continue, even with the benefit requirements I have urged, to show latitude and areas of experimentation in the benefits provided. I contemplate no "federalization" of the system and neither does anyone else who supports the addition of minimum benefit standards.

It is simply a question of whether the Federal Government has met its responsibility in establishing essential bench marks as a condition for the States' use of Federal funds.

No one here can see around the corner or know what economic conditions will be 2, 3 or more years ahead. But we do know that the provisions of the bill on which we are voting do leave many of the essential problems unsolved. I know there are difficulties inherent in enacting legislation when those problems are not a part of the immediate experience of wage and salary earners who in general are enjoying regular work at this time. But to the extent that past experience in 1957, 1958, and 1959, as well as in 1960, 1961, and 1962, are an indication of the performance of the unemployment insurance system, we are keenly aware of the limited nature of the bill we are supporting.

The economy is changing too rapidly for us to ignore much longer the interstate differences and the severe limitations of many State laws. In supporting this bill, I feel I am more committed to "gradualism" than I really want to be, but under the circumstances this is the only alternative open at this time.

In appraising the alternative, I choose not to ignore what H.R. 15119 will mean to the millions of people working in jobs that often are characterized by low pay, insecure tenure, and unappealing prospects. Certainly we can no longer refuse to deny them the kind of wage insurance that we long ago gave to other workers whose only difference is that their employer is engaged in profitmaking activity.

I urge my colleagues who would have preferred a more extensive buttressing of the unemployment insurance system not to fail those who will be helped by this bill as reported by the committee.

Mr. RHODES of Arizona. Mr. Chairman, at the June 21, 1966, meeting of the House Republican policy committee a policy statement regarding H.R. 15119, Unemployment Insurance Amendments of 1966, was adopted. As chairman of the policy committee, I would like to include at this point in the RECORD the complete text of this statement:

REPUBLICAN POLICY COMMITTEE STATEMENT ON UNEMPLOYMENT INSURANCE AMENDMENTS OF 1966—H.R. 15119

The House Republican Policy Committee supports the Committee bill, H.R. 15119. We commend the Republican members of the Ways and Means Committee for their work in defeating the Johnson-Humphrey Administration bill, H.R. 8282, and substituting in its place reasonable and necessary amendments to the present unemployment compensation law.

As reported, the Committee bill, H.R. 15119, preserves the highly-successful system of autonomous State programs of unemployment insurance. It rejects the following power-seeking proposals of the Administration bill which would have federalized and straitjacketed these programs.

(a) The imposition of federal benefit standards, both with respect to amount and duration.

(b) The restriction of disqualification to cases of fraudulent unemployment insurance claims, conviction for a work-connected crime, or labor disputes.

(c) The abandonment of the experience rating system as a basis for granting the credit against the Federal tax.

(d) The automatic granting of an additional twenty-six weeks of benefits, irrespective of the state of the economy.

(e) The broad and indiscriminate extension of coverage to employers of one or more workers, non-profit organizations and farm workers.

(f) The increase in the taxable wage from $3,000 to $6,600 by 1971.

In contrast to the federal dictation and controls contained in the Administration bill, the Committee bill, H.R. 15119, would update and improve the present law as follows:

1. Thirteen weeks of extended unemployment compensation is provided during periods of recession. This is a refinement and improvement of the unemployment benefit programs adopted by Congress in 1958 and in 1961.

2. Coverage is extended to those workers who can be generally considered "regularly" employed and for whom there can be reasonable standards of availability for work. Thus, employers of one or more workers during 20 weeks of a calendar year, or employers who pay more than $1,500 in wages during a calendar quarter, are covered. Farm workers are not covered. Certain non-profit organizations are covered if they employ four or more workers in any quarter, but coverage is restricted to clerical, custodial, and maintenance workers. These workers are also covered in institutions of higher learning. The primary and secondary schools, however, remains exempt.

3. Non-profit organizations are given the option of participating as self-insurers. Under this option, a non-profit organization will not be required to pay any part of the Federal tax and will be charged only with the amount of unemployment benefits actually paid to an unemployed worker of such organization.

4. The wage base is increased from $3,000 to $3,900 beginning in 1969 and to $4,200 beginning in 1972.

5. A judicial review of determinations by the Secretary of Labor with respect to qualifications of State plans is provided. Thus, for the first time, a State threatened with the loss of the tax credit as a result of an action on the part of the Secretary of Labor may appeal to the courts. This system of court review has been advocated for many years by Republican Members of Congress and the State administrators. It will enable the States to adapt their programs of unemployment insurance to meet the needs of their particular State.

Thus, under the provisions of the Committee bill, H.R. 15119, the States are permitted to establish benefit and eligibility standards without federal control. The experience rating concept has been preserved and there is no substantial change with respect to disqualification criteria. Moreover, the all-important judicial review concept has been included. As a result of the modifications and changes that are included in this bill, the present unemployment compensation system has been strengthened. The role of the States in developing sound unemployment insurance programs will increase rather than diminish. Thanks to the efforts of the Republican members of the Ways and Means Committee and the many individuals, organizations and employers who testified before that Committee, H.R. 15119 presents a fair and forward-looking program.

We believe that the discarding of the Johnson-Humphrey Administration bill, H.R. 8282, is one of the most significant steps taken in this Congress. It means the preservation of the autonomous State programs of unemployment insurance. It marks the rejection of the concept of ever more federal controls and standards. It establishes that the present highly-successful program of unemployment compensation will continue to provide necessary and essential assistance to the involuntarily unemployed. It insures that this program will not become a federalized system that permits abuse and encourages the unemployed to remain idle the maximum period of time rather than accept suitable employment or enter training programs as quickly as possible.

Mr. RYAN. Mr. Chairman, H.R. 15119, the bill before us, is a revision of H.R. 8282, the administration's proposal to extend and improve the unemployment compensation program. Unfortunately, it does not meet the objectives of the original bill in at least four major respects.

The most important shortcoming is its failure to provide for Federal unemployment compensation standards. The administration's measure would have required the States to meet minimum standards of compensation—50 percent of wages, duration at least 26 weeks—and qualification. Thus, unemployment compensation would be propped up in those States which now have programs that do not meet these standards, and the whole system would be made more uniformly beneficial.

Second, the committee reduced the number of employees to whom new coverage would be extended. Under H.R. 8282, 5 million workers would have been able to receive for the first time the benefits of unemployment compensation. Under H.R. 15119, the revised bill, only 3.5 million new workers will enjoy these benefits.

Third, under the administration's proposal, the wage base would have risen to $5,600 in 1967 and $6,600 by 1971. I might point out that the wage base has not been increased in the Federal law since the inception of the program 30 years ago. Eighteen States have already adopted a wage base well in excess of $3,000. Yet the committee saw fit to cut the wage base proposal. The present $3,000 figure will remain in effect until 1969, when it will rise to $3,900, eventually rising to $4,200 in 1970.

Finally, the committee did not adopt the supplemental benefits provision, which would have provided extended benefits for an additional 26 weeks after an unemployed worker exhausted his regular 26 weeks of payment. Instead, it has provided for 13 additional weeks, and also restricted the extended program to times of unusually high national unemployment. This is a reversal of the original objective of this provision.

Mr. Chairman, I am pleased that the bill reported out by the Committee on Ways and Means extends coverage to those employed in voluntary, nonprofit hospitals. On February 17, of this year, I pointed out to the House the problems faced by hospital workers. It is important that their plight be relieved.

While I will vote for this bill, I feel that it does not meet congressional responsibility to the workingman. It merely postpones the day when the Federal Government must give due regard to the many problems of working men and women who experience the economic tragedy that results from the loss of a job. Congress should be willing to do more.

Mr. DONOHUE. Mr. Chairman, as one who has consistently supported the principle of unemployment insurance compensation I urge and hope this House will overwhelmingly approve the measure before us, H.R. 15119, to extend and improve our current unemployment compensation program.

Although many here may seriously question the effectiveness of this bill in fully meeting all the present and potential problems involved in creating an equitable and prudent system of unemployment compensation insurance, this measure does appear to represent the best compromise agreement that can be offered at this time and it does contain some substantial forward steps in our ultimate objective of a completely revised program.

In summary, this bill extends coverage of the Federal-State unemployment insurance system to an estimated 3.5 million additional workers; establishes a permanent program of extended benefits to workers who exhaust their basic entitlement to unemployment compensation payments during periods of high unemployment; furnishes the States a procedure for obtaining judicial review of certain of the findings of the Secretary of Labor with respect to a State's program by appeal to a U.S. court of appeals; provides certain additional requirements which must be met by a State in order to have its unemployment compensation law approved by the Secretary; and makes other changes which will strengthen and improve the Federal-State unemployment insurance system.

The extension of benefits and improvements in operation contained in the provisions of this measure impel us to accept it as an instrument of progress for today while we plan and work for a wider and more improved program that it appears will be required to maintain our economy stability through the further technological transition and adjustment period that lies ahead.

It might be well to remind ourselves that this whole unemployment problem goes right to the hearts of the morale of the American people and very often it provides an unhappy comparison of what this Congress is asked to do in helping the people abroad and what we are requested to do in assisting millions of Americans here at home.

Let us realize that none of our military aid or foreign assistance programs or diplomatic overtures can be successfully carried out without the full backing of the American people possessed of a high morale. One substantial way of encouraging that high morale is the establishment of an adequate and equitable unemployment compensation insurance program granting effective economic assistance to millions of wage earners and taxpayers when they need it the most and they do need it most when they are out of work through no fault of their own.

In that spirit and toward that objective let us approve this proposal without prolonged delay.

Mr. RANDALL. Mr. Chairman, although nearly all opposition to H.R. 15119 appears to have evaporated, it seems to me there remains an obligation for those who appreciate the content of this bill rather than proposals in H.R. 8282 to speak up in appreciation of the good work of our Ways and Means Committee and in particular to its most distinguished chairman, the gentleman from Arkansas, WILBUR MILLS.

Every Member of this House is indebted to the chairman of the Committee on Ways and Means for his perseverance and determination to report out a bill which could be passed rather than to pursue upon the course of futility by insisting upon the provisions of H.R. 8282, which could not have in the opinion of those who had polled the House come even near to passage.

Our debt is so great to the friendly and always helpful chairman from Arkansas that I would ask to be permitted to digress for a moment to recall another instance not too long ago when this same chairman rendered a service to all of us which is too frequently taken for granted and by too many Members of this House. I may be guilty along with my colleagues for the omission and failure to express my gratitude to Chairman MILLS for a great service in connection with what is now known as medicare. Those of us who have been around for awhile recall the bitter opposition a few years ago to even the mention of hospital insurance under social security. It was bitterly denounced as socialized medicine. About 4 years ago large sums of money were raised to defeat those candidates who suggested hearings should be held to permit proponents of this principle to have a forum to express their viewpoint.

All of us now realize we have come a long way since those days because our Ways and Means Committee, not only surmounted most of the objections of opponents of medicare but brought forth workable, acceptable, options and alternatives which have now been enacted into law as part A and part B of Public Law 89–97 which will be subjected to its first test less than 2 weeks hence. Mr. Chairman, I hope I may be pardoned for this reference to past accomplishments, but I have digressed simply to express once more my gratitude to Chairman MILLS, who, in my opinion, was largely responsible for changing an attitude of bitterness by the medical profession into one of conditional acceptance the principle of hospital insurance and medical care under the social security system.

When H.R. 8282 was introduced in May 1965 it unlocked a torrent of protest from small businessmen and even some of the larger business enterprises. While the number of opponents to this bill were large, in most letters there was a strong tone of resentment and bitterness against the effort to create a Federal unemployment adjustment benefit program to replace the Federal-State unemployment compensation program which had worked so successfully. I recall it was argued H.R. 8282 would defeat the entire intent of unemployment compensation which was intended to be aid rather than support. I distinctly recall there was a charge that undeserving workers could quit without cause or be fired for willful misconduct including drunkenness or other unreliable acts and being once off the job could even refuse suitable work and yet receive under the provisions of the former bill considerable compensation.

It slips my mind now who may have made the computation but in some of our protest mail someone pointed out that a worker could draw over $100 a week in unemployment compensation by 1971, based on a 40-hour week, which would be somewhat in excess of $2.50 per hour for not working. There were so many objections that I should not take the space

to enumerate them. It was charged by opponents that even an unemployed worker who was receiving $100 a week for as much as 1 year, would not be charged with any taxable income.

To shorten what might otherwise make a long story, the changes wrought by the committee from H.R. 8282 to H.R. 15119 are pretty well summarized in the title of the two bills. The title of H.R. 8282 provides for the establishment of a program of Federal unemployment adjustment benefits; to establish Federal requirements; to establish a Federal Adjustment Act in the unemployment trust fund; to provide for a research program and a special advisory commission. The title, on the other hand, of H.R. 15119 simply states the bill is intended to extend and improve the Federal-State employment compensation program. Those who stood firm for H.R. 8282 point out the new bill accomplishes only about half of what was intended by the old bill and that the coverage is extended to only about half as many new workers and enter the complaint that the wage base does not rise as sharply or as quickly as it should. It is pointed out the duration of supplemental benefits has not been increased. It should be recalled that under the provisions of H.R. 15119, not only was the Federal standard section deleted as contained in the former bill but the committee has accorded to the States even more power by adding a section that would permit the States a court appeal from adverse decisions of the Secretary of the Department of Labor as to whether or not a State conforms to Federal requirements. Under existing law, the decision of the Secretary of the Department of Labor as to whether or not a State law conforms to the requirements of the Federal law is final.

Mr. Chairman, H.R. 15119, described as a clean bill was introduced approximately 1 year after the introduction of H.R. 8282. Long hearings intervened. The vast amount of work that has been devoted to this matter of improved unemployment compensation has resulted in a measure which now seems to enjoy such widespread acclaim, there probably will be only a small handful of Members who remain in opposition. H.R. 15119 deserves support and our great chairman of the House Ways and Means Committee deserves the commendation of his fellow Members.

Mr. VIVIAN. Mr. Chairman, I support H.R. 15119, the revision of the Federal-State unemployment compensation program, sponsored jointly by the distinguished chairman and the distinguished ranking minority member of the House Ways and Means Committee. I commend the committee for reviewing, painstakingly, H.R. 8282, the bill originally proposed, and for making substantial improvements in this bill, leading to the revised bill H.R. 15119 before us today.

Mr. Chairman, as one who has had a good deal of experience in the management of a business, I am pleased that the Ways and Means Committee rejected the idea of tampering with the experience-rating system of setting unemployment compensation tax rates on individual employers. I believe the experience rating system developed in my State of Michigan to be an eminently fair and effective practice, well worth supporting. Also, I commend the committee for cutting back both the pace and the scope of the extension of taxable wage base. The committee bill calls for an increase in the base of only 40 percent over the next 6 years instead of 120 percent, as had been proposed in H.R. 8282. That bill would have imposed a greatly increased burden on the employers in my district and State, without adding materially to worker benefits. Michigan today is proud to provide one of the highest unemployment benefit payment schedules in the Nation. Yet H.R. 8282 would have edged Michigan dollar benefits higher; much higher than would have been demanded of the present low-wage, low-benefit States; and then channeled funds from Michigan to those low-wage States to help pay their benefits. This would have placed Michigan at a further competitive disadvantage with the low-wage States.

But H.R. 15119 does attack important deficiencies in our present unemployment compensation program. In particular, it extends coverage to numerous uncovered job classifications; and, most important, it establishes a permanent program of extended benefits to exhaustees during periods of persistent and high unemployment.

Mr. Chairman, this bill is supported by management and labor. It is fair to all concerned. I support it and will vote for it.

Mr. GILBERT. Mr. Chairman, I support H.R. 15119, to extend coverage of the Federal-State unemployment insurance system to an additional 3.5 million workers and to set up a permanent program of extended benefits to workers who have exhausted their regular benefits during periods of high unemployment.

I am disappointed the bill is not closer to the administration bill, H.R. 8282, and especially that it does not contain the provisions for minimum Federal standards for State programs with respect to amount and duration of eligibility for benefits. This provision of H.R. 8282 would have required the States to pay weekly benefits for an individual equal to one-half of his average weekly wage up to a State maximum, and would have required the State to pay 26 weeks of benefits to any worker with 20 weeks of qualifying earnings in his base period.

The goal of the unemployment insurance system has been to assure workers unemployed through no fault of their own, a weekly benefit sufficient to meet their living needs but not too large to decrease their work incentives. Benefits have not kept pace with increases in wages and the cost of living. A weekly benefits standard equal to at least one-half of a worker's usual weekly wage has been sought by every administration since 1954.

Under the 50 individual State programs each State determines the eligibility for an amount and duration of benefits and sets employer tax rates to pay for its own program. This has led to general inadequacies in the individual programs and to competition among States for the location of businesses. State employer tax rates for unemployment compensation range from a high of 3 percent in my State of New York, and in California, to a low of .07 percent in Virginia and Iowa. A State with a high employer tax rate—whether due to liberal benefits or high unemployment—is at a competitive disadvantage to a State with a low employer tax rate, which may be due to inadequate benefits and/or low unemployment.

The unemployment insurance program has been both a Federal and State program in which the funds are raised through Federal taxes and returned to the States under certain conditions, and I feel that one of those conditions should be defined and established minimum benefits levels for both the weekly amount and the duration of benefits.

I regret that the number of employees to whom new coverage would have been extended was reduced in committee. H.R. 8282 would have given new coverage to 5 million, instead of the 3.5 million in the bill before us.

H.R. 15119 does contain many important and needed improvements in the unemployment insurance system. I am pleased the bill extends coverage to 1.9 million employees of nonprofit organizations and State hospitals and institutions of higher learning. Nonprofit organizations have the option of either reimbursing the State for unemployment compensation attributable to service for them or paying the regular State unemployment insurance tax; they are not required to pay the Federal portion.

Mr. Chairman, time does not permit me to elaborate on the various provisions, and, therefore, with permission, I wish to include for the RECORD the following committee summary of the "Unemployment Insurance Amendments of 1966.":

EXTENSION OF COVERAGE

Today approximately 49.7 million jobs (including those of Federal employees, ex-servicemen and railroad workers) are protected by unemployment compensation. Approximately 15 million jobs are not covered. Nearly 7 million of the workers not covered are in the employment of State or local governments and, except for certain employees in State universities and hospitals, unaffected by the bill. Of the approximately 8 million remaining workers not presently covered, the bill would extend coverage to about 3.5 million, effective January 1, 1969.

The following are the groups of workers to whom coverage would be extended by the bill:

a. *Definition of Employer (workers in the employ of persons or firms with less than 4 employees).*—Present Federal law applies only to those employers who have 4 or more workers in their employ in 20 weeks in a year. Under the bill an employer would come under the Federal-State system if he employs one or more persons during 20 weeks in a calendar year, or pays wages of $1,500 or more in any calendar quarter in a calendar year. Approximately 1.2 million additional workers would be covered under this provision.

b. *Definition of Employee.*—Approximately 200,000 additional workers would be covered by adopting the definition of employee which is used for social security purposes, with a modification. Those affected by this change are persons who are not considered employees under common law rules, such as certain agent-drivers and outside salesmen. The

concept of employee as adopted by the bill differs from that of the Social Security Act in that it does not apply to full-time insurance salesmen and persons who work on materials in their homes which are furnished by another (if they are not employees under common law).

c. *Agricultural Processing, etc. Workers.*—Approximately 200,000 additional workers would be covered by adopting the definition of "agricultural labor" that applies to the social security system, with a modification. Included among the newly covered workers would be those working in processing plants where more than half of the commodities handled were not produced by the plant operator and others working on specific commodities, such as maple sugar workers and those engaged in off-the-farm raising of mushrooms and poultry. The bill would not cover the employees of certain agricultural cooperative organizations who are covered under social security system.

d. *Employees of Non-Profit Organizations and State Hospitals and Institutions of Higher Education.*—Approximately 1.9 million employees of non-profit organizations and State hospitals and institutions of higher education would be brought under the unemployment compensation system. Coverage would not be extended to certain employees of non-profit organizations, however, including duly ordained or licensed ministers of the church; employees of a church; employees of schools other than institutions of higher education; professors, research personnel and principal administrators in an institution of higher education; and physicians and similarly licensed medical personnel of a hospital, but nurses would be covered under the program.

Non-profit organizations must be allowed the option of either reimbursing the State for unemployment compensation attributable to service for them or paying the regular State unemployment insurance contributions. They would not be required to pay the Federal portion of the unemployment tax. A separate effective date would allow the States to put the reimbursable option into effect at any time after December 31, 1966.

The extension of coverage would apply only to non-profit organizations that employ 4 or more workers in 20 weeks during a calendar year.

Certain types of workers, such as domestic servants in private homes, would continue to be excluded from the coverage of the Federal law. In addition, a new exclusion is provided by the bill for students employed under specified work-study programs arranged by the schools they attend, effective January 1, 1967.

ADDITIONAL REQUIREMENTS

States would be required to amend their laws, effective not later than January 1, 1969, in order to obtain approval by the Secretary of Labor for the purpose of receiving tax credits for employers and payment of administrative expenses, to provide that—

1. A claimant must have had work since the beginning of his benefit year in order to obtain unemployment compensation in his next benefit year (prohibiting the so-called "double dip" which allows a worker to draw full benefits in 2 successive years following a single separation from work);

2. The wage credits of a worker may not be cancelled or totally reduced by reason of a disqualifying act other than discharge for misconduct connected with his work, fraud in connection with a claim for compensation or receipt of disqualifying income such as pension payments. But a State could, for example, disqualify a worker for the duration of a period of unemployment following a disqualifying act, such as a voluntary quit, so long as the worker's benefit rights are preserved for a future period of involuntary unemployment during the benefit year;

3. Compensation may not be denied to workers who are undergoing training with the approval of the State unemployment compensation agency; and

4. Compensation may not be denied or reduced because a claimant lives or files his claim in another State.

Related provisions of the bill permit the States to reduce the tax rates of new employers (to not less than 1 percent) during the first three years they are in business and provide a sanction to enforce an existing prohibition against discriminatory treatment of maritime employees.

JUDICIAL REVIEW

Under existing law the decisions of the Secretary of Labor as to whether or not a State law conforms to the requirements of the Federal law are final. There is no specific provision in the law allowing a State to appeal these decisions to a court.

The bill would furnish the States a procedure for appealing these decisions of the Secretary to a United States Court of Appeals within 60 days after the Governor of a State has been notified of an adverse decision by the Secretary. Findings of fact by the Secretary would be conclusive upon the court "unless contrary to the weight of the evidence." The provision would be effective upon enactment.

FEDERAL–STATE EXTENDED UNEMPLOYMENT COMPENSATION PROGRAM

The bill would establish a new permanent program which would require the States to enact laws, that would have to take effect beginning with calendar year 1969, to pay extended benefits to workers who exhaust their basic entitlement to unemployment compensation programs during periods of high unemployment.

The Federal Government would pay 50 percent of the benefits under the program, with the States paying the other 50 percent.

These benefits would be paid to workers only during an "extended benefit" period. Such period could exist, beginning after December 31, 1968, either on a national or State basis by the triggering of either a national or State "on" indicator.

A national extended benefit period would be established if (a) the seasonally adjusted rate of insured unemployment for the nation as a whole equalled or exceeded 5 percent for each month in a 3-month period and (b) during the same 3-month period the total number of claimants exhausting their rights to regular compensation (over the entire period) equalled or exceeded 1 percent of covered employment for the nation as a whole. The national extended benefit period would terminate if the rate of insured unemployment remained below 5 percent for a month or if the number of claimants exhausting their rights to compensation added up to less than 1 percent for a 3-month period.

An extended benefit period would be established for an individual State if (a) the rate of insured unemployment for the State equalled or exceeded, during a running 13-week period, 120 percent of the average rate for the corresponding 13-week period in the preceding two calendar years and (b) if such rate also equalled or exceeded 3 percent. An extended benefit period in a State would terminate if either of these conditions was not satisfied.

During either a national or State extended benefit period an individual claimant would be entitled to receive payments equal in amount to those he received under regular compensation (including dependents' allowances) for up to one-half of the number of weeks of his basic entitlement but for not more than 13 weeks. No claimant could receive more than 39 weeks of combined regular and extended compensation.

FINANCING

The bill would increase the rate of tax under the Federal Unemployment Tax Act from the present 3.1 percent of taxable wages to 3.3 percent, effective with respect to wages paid in calendar year 1967 and thereafter. The taxable wage base under the act would be increased from the present $3,000 per year to $3,900 per year, effective with respect to wages paid in calendar years 1969 through 1971 and to $4,200 beginning in 1972 and thereafter.

The bill in effect increases the net Federal unemployment tax from 0.4 percent to 0.6 percent. A portion (0.1 percent) of the net Federal tax would be put in to a separate new acocunt in the Unemployment Trust Fund to finance the Federal share of the extended benefits programs established by the bill.

OTHER PROVISIONS

The bill also contains provisions to—

1. Authorize funds to conduct research relating to the unemployment compensation system and to train Federal and State unemployment compensation personnel;

2. Change the date with respect to which the Secretary of Labor certifies that the State laws are in conformity with the requirements of the Federal law from December 31 to October 31 of each year;

3. Extend for another five years the time within which the States could expend for administrative purposes funds returned to them as excess Federal tax collections.

Mr. LOVE. Mr. Chairman, I can now support the unemployment compensation bill, H.R. 15119, without the fears I had over H.R. 8282 because those who will gain will be those who work for wages within their respective States as the basic contract is left where local needs and local conditions can apply rather than through a nationwide system which would ignore economic differences and regional variations.

As an Ohioan who believed that his State had developed a satisfactory law for the most part within the spirit of the Social Security Act of 1935, I am grateful for this new bill. I commend the committee in general and the gentleman from Arkansas [Mr. MILLS] in particular for the painstaking work in making substantial improvements in H.R. 8282 which lead to H.R. 15119 before us today.

I rather suspect that no bill has had more time given to it with the possible exception of medicare in both public and executive hearings. I can attest to the fact that the committee received and considered many thoughtful letters from my worried constituents which I channeled to the committee when I thought either a constituent or I might make a contribution to a better bill. So I am doubly grateful.

Instead of rejecting at once the provisions of H.R. 8282, I felt it would be best to work toward a revision and improvement of existing law as unemployment is a national problem carrying with it Federal responsibility. The system itself, however, can best be handled by the 50 States as this bill now provides.

The article in the February issue of Reader's Digest entitled "New Grab for Federal Power: Unemployment Benefits" was very unfortunate. It contained many inaccuracies, misstatements and innuendoes about the purposes of H.R. 8282. In fact, I sent out Senator EUGENE J. MCCARTHY'S response to this article

so that my constituents would not be misled by mere emotionalism.

This bill is now supported by management and labor and, since this draft is so carefully conceived, I am hopeful that it will have the unanimous support it deserves.

I was glad, Mr. Chairman, that the committee rejected the idea of tampering with the experience rating system. The Ohio system I thought for the most part was eminently fair and effective. Many of my constituents felt that the provisions of H.R. 8282 seemed to be placing a premium on laziness. I agreed with them and sent the chairman of the committee some thoughtful countersuggestions in this regard.

I was happy when the committee cut back the pace and scope of the extension of the taxable wage base. The new bill calls for an increase in the base of only 40 percent over the next 6 years instead of 120 percent as had been proposed by the administration.

In addition, this bill first, extends coverage to 3.5 million additional employees; second, provides a highly modified version of the Federal program of extended benefits for a long-term unemployed person during periods where unemployment is up nationally or in the State; third, deletes the minimum Federal standards with respect to amount, duration, and eligibility of benefits; fourth, deletes the section providing Federal grants to assist States with unusually high benefit costs; fifth, added judicial review permitting States to appeal decision of Labor Secretary with respect to State programs which is always preferable to Executive administrative orders and fairer to both the State and Federal Governments; and sixth, increases the Federal unemployment tax from the present 3.1 to 3.3 percent effective for wages paid in 1967 and thereafter.

In fact, this bill fits my concept of the way private enterprise in a capitalistic system should work. A great improvement has been made in what has proved to be an important tool in our economy by the cooperation of labor, management, and the government in a project bound to be better for the country's economic health than what was first proposed. I hope certain lobbyists who think only in terms of their own advantage will let this "concensus" which the committee has wrought work in the country's interest and, if it passes the House with a large majority, the Senate will do likewise so the unpopular H.R. 8282 can be buried as excessive legislation that had at least one virtue—it got thousands of people thinking constructively about an important problem, the welfare of the workingman in those times when he is out of a job through no fault of his own.

Thanks again to the committee for a job well done. Once again, I am proud to be a part of the 89th Congress.

Mr. HANSEN of Iowa. Mr. Chairman, I rise to comment on H.R. 15119, the Unemployment Insurance Amendments of 1966.

I feel that these amendments are an excellent example of true compromise and good solid legislative negotiation. In formulating this legislation, the Congress took serious consideration of the reservations expressed by our constituents concerning proposals which were earlier advanced.

These amendments set forth by H.R. 15119 make five major changes in the unemployment compensation program.

First, coverage will be extended to approximately 3½ million workers whose jobs were not previously protected.

Second, a permanent program will be established to extend benefits to workers who exhaust their regular unemployment compensation payments during periods of high unemployment.

Third, the States will be provided with a system of judicial review.

Fourth, the financing of the program will be improved.

Fifth, a few new State requirements will be added and other changes will be made to improve and strengthen the Federal-State unemployment compensation program.

When this legislation was being initially considered, I was concerned about the apparent misunderstanding of some people regarding the relationship of the Federal Government with the unemment compensation program. Far from being an invasion of the rights of the States, unemployment insurance was a Federal concept from the beginning. It was part of the Social Security Act of 1935 and since that time, the Federal Government has collected from employers and distributed it to the States.

These amendments take great strides to improve and strengthen our Federal-State unemployment compensation program.

GENERAL LEAVE

Mr. MILLS. Mr. Chairman, I ask unanimous consent that all Members desiring to do so many extend their remarks at this point in the RECORD on the bill under consideration.

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

There was no objection.

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

Mr. BYRNES of Wisconsin. Mr. Chairman, I have no futher requests for time.

The CHAIRMAN. Under the rule, the bill will be considered as having been read for amendment.

The bill is as follows:

H.R. 15119

A bill to extend and improve the Federal-State unemployment compensation program

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Unemployment Insurance Amendments of 1966".

TITLE I—IN GENERAL

Part A—Coverage

Definition of Employer

SEC. 101. (a) Subsection (a) of section 3306 of the Internal Revenue Code of 1954 is amended to read as follows:

"(a) EMPLOYER.—For purposes of this chapter, the term 'employer' means, with respect to any calendar year, any person who—

"(1) during any calendar quarter in the calendar year paid wages of $1,500 or more, or

"(2) on each of some 20 days during the calendar year, each day being in a different calendar week, employed at least one individual in employment for some portion of the day."

(b) The amendment made by subsection (a) shall apply with respect to remuneration paid after December 31, 1968.

Definition of Employee

SEC. 102. (a) Subsection (i) of section 3306 of the Internal Revenue Code of 1954 is amended to read as follows:

"(i) EMPLOYEE.—For purposes of this chapter, the term 'employee' has the meaning assigned to such term by section 3121(d), except that subparagraphs (B) and (C) of paragraph (3) shall not apply."

(b) Section 1563(f)(1) of such Code (relating to surtax exemption in case of certain controlled corporations) is amended by striking out "in section 3306(i)" and inserting in lieu thereof "by paragraphs (1) and (2) of section 3121(d)".

(c) The amendment made by subsection (a) shall apply with respect to remuneration paid after December 31, 1968, for services performed after such date.

Definition of Agricultural Labor

SEC. 103. (a) Subsection (k) of section 3306 of the Internal Revenue Code of 1954 is amended to read as follows:

"(k) AGRICULTURAL LABOR.—For purposes of this chapter, the term 'agricultural labor' has the meaning assigned to such term by subsection (g) of section 3121, except that for purposes of this chapter subparagraph (B) of paragraph (4) of such subsection (g) shall be treated as reading:

"'(B) in the employ of a group of operators of farms (or a cooperative organization of which such operators are members) in the performance of service described in subparagraph (A), but only if such operators produced more than one-half of the commodity with respect to which such service is performed;'".

(b) The amendment made by subsection (a) shall apply with respect to remuneration paid after December 31, 1968, for services performed after such date.

State Law Coverage of Certain Employees of Nonprofit Organizations and of State Hospitals and Institutions of Higher Education

SEC. 104. (a) Section 3304(a) of the Internal Revenue Code of 1954 is amended by redesignating paragraph (6) as paragraph (12) and by inserting after paragraph (5) the following new paragraph:

"(6)(A) compensation is payable on the basis of service to which section 3310(a)(1) applies, in the same amount, on the same terms, and subject to the same conditions as compensation payable on the basis of other service subject to such law, and

"(B) payments (in lieu of contributions) with respect to service to which section 3310(a)(1)(A) applies may be made into the State unemployment fund on the basis set forth in section 3310(a)(2);"

(b)(1) Chapter 23 of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following new section:

"SEC. 3310. STATE LAW COVERAGE OF CERTAIN SERVICE PERFORMED FOR NONPROFIT ORGANIZATIONS AND FOR STATE HOSPITALS AND INSTITUTIONS OF HIGHER EDUCATION.

"(a) STATE LAW REQUIREMENTS.—For purposes of section 3304(a)(6)—

"(1) except as otherwise provided in subsections (b) and (c), the service to which this paragraph applies is—

"(A) service excluded from the term 'employment' solely by reason of paragraph (8) of section 3306(c), and

"(B) service performed in the employ of a State, or any instrumentality of one or more States, for a hospital or institution of higher education, if such service is excluded from the term 'employment' solely by reason of paragraph (7) of section 3306(c); and

"(2) the State law shall provide that an organization (or group of organizations) which, but for the requirements of this paragraph, would be liable for contributions with respect to service to which paragraph (1)(A) applies may elect, for such minimum period and at such time as may be provided by State law, to pay (in lieu of such contributions) into the State unemployment fund amounts equal to the amounts of compensation attributable under the State law to such service. The State law may provide safeguards to ensure that organizations so electing will make the payments required under such elections.

"(b) SECTION NOT TO APPLY TO CERTAIN SERVICE.—This section shall not apply to service performed—

"(1) in the employ of (A) a church or convention or association of churches, or (B) an organization which is operated primarily for religious purposes and which is operated, supervised, controlled, or principally supported by a church or convention or association of churches;

"(2) by a duly ordained, commissioned, or licensed minister of a church in the exercise of his ministry or by a member of a religious order in the exercise of duties required by such order;

"(3) in the employ of an educational institution which is not an institution of higher education;

"(4) in the case of an institution of higher education, by an individual employed in an instructional, research, or principal administrative capacity;

"(5) in the case of a hospital (or in the case of a medical research organization directly engaged in the continuous active conduct of medical research in conjunction with a hospital), by an individual as a physician, dentist, osteopath, chiropractor, naturopath, or Christian Science practitioner, or by an individual employed in an instructional or research capacity;

"(6) in a facility conducted for the purpose of carrying out a program of—

"(A) rehabilitation for individuals whose earning capacity is impaired by age or physical or mental deficiency or injury, or

"(B) providing remunerative work for individuals who because of their impaired physical or mental capacity cannot be readily absorbed in the competitive labor market,

by an individual receiving such rehabilitation or remunerative work; and

"(7) as part of an unemployment work-relief or work-training program assisted or financed in whole or in part by any Federal agency or an agency of a State or political subdivision thereof, by an individual receiving such work relief or work training.

"(c) NONPROFITS MUST BE EMPLOYERS OF 4 OR MORE.—This section shall not apply to service performed during any calendar year in the employ of any organization unless on each of some 20 days during such calendar year, each day being in a different calendar week, the total number of individuals who were employed by such organization in employment (determined without regard to section 3306(c)(8) and by excluding service to which this section does not apply by reason of subsection (b)) for some portion of the day (whether or not at the same moment of time) was 4 or more."

(2) The table of sections for such chapter 23 is amended by inserting at the end thereof the following:

"Sec. 3310. State law coverage of certain service performed for nonprofit organizations and for State hospitals and institutions of higher education."

(c) Section 3303 of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following new subsection:

"(e) PAYMENTS BY CERTAIN NONPROFIT ORGANIZATIONS.—A State may, without being deemed to violate the standards set forth in subsection (a), permit an organization (or group of organizations) described in section 501(c)(3) which is exempt from income tax under section 501(a) to elect (in lieu of paying contributions) to pay into the State unemployment fund amounts equal to the amounts of compensation attributable under the State law to service performed in the employ of such organization (or group)."

(d) The amendments made by subsections (a) and (b) shall apply with respect to certifications of State laws for 1969 and subsequent years, but only with respect to service performed after December 31, 1968. The amendment made by subsection (c) shall take effect January 1, 1967.

Students Engaged in Work-Study Programs

SEC. 105. (a) Paragraph (10) of section 3306(c) of the Internal Revenue Code of 1954 is amended by striking out the semicolon at the end of subparagraph (B) and inserting in lieu thereof ", or" and by adding at the end thereof the following new subparagraph:

"(C) service performed by an individual who is enrolled at an educational institution within the meaning of section 151(e)(4)) as a student in a full-time program, taken for credit at such institution, which combines academic instruction with work experience, if such institution has certified to the employer that such service is an integral part of such program;".

(b) The amendment made by subsection (a) shall apply with respect to remuneration paid after December 31, 1966.

Part B—Provisions of State laws

Provisions Required To Be Included in State Laws

SEC. 121. (a) Section 3304(a) of the Internal Revenue Code of 1954 is amended by inserting after paragraph (6) (added by section 104(a) of this Act) the following new paragraphs:

"(7) an individual who has received compensation during his benefit year is required to have had work since the beginning of such year in order to qualify for compensation in his next benefit year;

"(8) compensation shall not be denied to any individual by reason of cancellation of wage credits or total reduction of his benefit rights for any cause other than discharge for misconduct connected with his work, fraud in connection with a claim for compensation, or receipt of disqualifying income;

"(9) compensation shall not be denied to an individual for any week because he is in training with the approval of the State agency (or because of the application, to any such week in training, of State law provisions relating to availability for work, active search for work, or refusal to accept work);

"(10) compensation shall not be denied or reduced to an individual solely because he files a claim in another State or because he resides in another State at the time he files a claim for unemployment compensation;".

(b) The amendment made by subsection (a) shall take effect January 1, 1969, and shall apply to the taxable year 1969 and taxable years thereafter.

Additional Credit Based on Reduced Rate for New Employers

SEC. 122. (a) Subsection (a) of section 3303 of the Internal Revenue Code of 1954 is amended by striking out "on a 3-year basis," in the sentence following paragraph (3) and inserting in lieu thereof "on a 3-year basis (i)", and by striking out the period at the end of such sentence and inserting in lieu thereof ", or (ii) a reduced rate (not less than 1 percent) may be permitted by the State law on a basis other than as permitted by paragraphs (1), (2), and (3)."

(b) The amendments made by subsection (a) shall apply with respect to taxable years beginning after December 31, 1966.

Credits Allowable to Certain Employers

SEC. 123. Section 3305 of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following new subsection:

"(j) DENIAL OF CREDITS IN CERTAIN CASES.—Any person required, pursuant to a permission granted by this section, to make contributions to an unemployment fund under a State unemployment compensation law approved by the Secretary of Labor under section 3304 shall not be entitled to the credits permitted, with respect to the unemployment compensation law of a State, by subsections (a) and (b) of section 3302 against the tax imposed by section 3301 for any taxable year after December 31, 1967, if, on October 31 of such taxable year, the Secretary of Labor certifies to the Secretary his finding, after reasonable notice and opportunity for hearing to the State agency, that the unemployment compensation law of such State is inconsistent with any one or more of the conditions on the basis of which such permission is granted or that, in the application of the State law with respect to the 12-month period ending on such October 31, there has been a substantial failure to comply with any one or more of such conditions. For purposes of section 3311, a finding of the Secretary of Labor under this subsection shall be treated as a finding under section 3304(c)."

Part C—Judicial review

Judicial Review

SEC. 131. (a) Title III of the Social Security Act is amended by adding at the end thereof the following new section:

"JUDICIAL REVIEW

"SEC. 304. (a) Whenever the Secretary of Labor—

"(1) finds that a State law does not include provisions meeting the requirements of section 303(a), or

"(2) makes a finding with respect to a State under subsection (b) or (c) of section 303,

such State may, within 60 days after the Governor of the State has been notified of such action, file with the United States court of appeals for the circuit in which such State is located or with the United States Court of Appeals for the District of Columbia a petition for review of such action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary of Labor. The Secretary of Labor thereupon shall file in the court the record of the proceedings on which he based his action as provided in section 2112 of title 28, United States Code.

"(b) The findings of fact by the Secretary of Labor, unless contrary to the weight of the evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Secretary of Labor to take further evidence, and the Secretary of Labor may thereupon make new or modified findings of fact and may modify his previous action, and shall certify to the court the

record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive unless contrary to the weight of the evidence.

"(c) The court shall have jurisdiction to affirm the action of the Secretary of Labor or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

"(d)(1) The Secretary of Labor shall not withhold any certification for payment to any State under section 302 until the expiration of 60 days after the Governor of the State has been notified of the action referred to in paragraph (1) or (2) of subsection (a) or until the State has filed a petition for review of such action, whichever is earlier.

"(2) The commencement of judicial proceedings under this section shall not stay the Secretary's action, but the court may grant interim relief if warranted, including stay of the Secretary's action and including such relief as may be necessary to preserve status or rights.

"(e) Any judicial proceedings under this section shall be entitled to, and, upon request of the Secretary or the State, shall receive a preference and shall be heard and determined as expeditiously as possible."

(b)(1) Chapter 23 of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following new section:

"SEC. 3311. JUDICIAL REVIEW.

"(a) IN GENERAL.—Whenever under section 3303(b) or section 3304(c) the Secretary of Labor makes a finding pursuant to which he is required to withhold a certification under such section, such State may, within 60 days after the Governor of the State has been notified of such action, file with the United States court of appeals for the circuit in which such State is located or with the United States Court of Appeals for the District of Columbia a petition for review of such action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary of Labor. The Secretary of Labor thereupon shall file in the court the record of the proceedings on which he based his action as provided in section 2112 of title 28, United States Code.

"(b) FINDINGS OF FACT.—The findings of fact by the Secretary of Labor, unless contrary to the weight of the evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Secretary of Labor to take further evidence, and the Secretary of Labor may thereupon make new or modified findings of fact and may modify his previous action, and shall certify to the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive unless contrary to the weight of the evidence.

"(c) JURISDICTION OF COURT; REVIEW.—The court shall have jurisdiction to affirm the action of the Secretary of Labor or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

"(d) STAY OF SECRETARY OF LABOR'S ACTION.—

"(1) The Secretary of Labor shall not withhold any certification under section 3303(b) or section 3304(c) until the expiration of 60 days after the Governor of the State has been notified of the action referred to in subsection (a) or until the State has filed a petition for review of such action, whichever is earlier.

"(2) The commencement of judicial proceedings under this section shall not stay the Secretary's action, but the court may grant interim relief if warranted, including stay of the Secretary's action and including such relief as may be necessary to preserve status or rights.

"(e) PREFERENCE.—Any judicial proceedings under this section shall be entitled to, and, upon request of the Secretary or the State, shall receive a preference and shall be heard and determined as expeditiously as possible."

(2) Subsection (c) of section 3304 of the Internal Revenue Code of 1954 is amended to read as follows:

"(c) CERTIFICATION.—On October 31 of each taxable year the Secretary of Labor shall certify to the Secretary each State whose law he has previously approved, except that he shall not certify any State which, after reasonable notice and opportunity for hearing to the State agency, the Secretary of Labor finds has amended its law so that it no longer contains the provisions specified in subsection (a) or has with respect to the 12-month period ending on such October 31 failed to comply substantially with any such provision. No finding of a failure to comply substantially with the provision in State law specified in paragraph (5) of subsection (a) shall be based on an application or interpretation of State law with respect to which further administrative or judicial review is provided for under the laws of the State. On October 31 of 1969 or of any taxable year thereafter, the Secretary shall not certify any State which, after reasonable notice and opportunity for hearing to the State agency, the Secretary of Labor finds has failed to amend its law so that it contains the provisions specified in subsection (a) added by the Unemployment Insurance Amendments of 1966, or has with respect to the 12-month period (10-month period in the case of October 31, 1969) ending on such October 31 failed to comply substantially with any such provision."

(3) The table of sections for such chapter 23 is amended by adding at the end thereof the following:

"Sec. 3311. Judicial review."

(c) The amendments made by this section shall take effect on the date of the enactment of this Act. In applying section 3304(c) of the Internal Revenue Code of 1954 (as amended by subsection (b)) with respect to the taxable year 1966, certifications shall be made on December 31, 1966, in lieu of October 31, 1966.

Part D—Administration

Amounts Available for Administrative Expenditures

SEC. 141. (a) Section 901(c)(3) of the Social Security Act is amended—

(1) by striking out "the net receipts" each place it appears in the first sentence and inserting in lieu thereof "five-sixths of the net receipts"; and

(2) by striking "0.4 percent" in the second sentence and inserting in lieu thereof "0.6 percent".

(b) The amendments made by subsection (a) shall apply to fiscal years beginning after June 30, 1967.

Unemployment Compensation Research Program and Training Grants for Unemployment Compensation Personnel

SEC. 142. Title IX of the Social Security Act is amended by adding at the end thereof the following new sections:

"UNEMPLOYMENT COMPENSATION RESEARCH PROGRAM

"SEC. 906. (a) The Secretary of Labor shall—

"(1) establish a continuing and comprehensive program of research to evaluate the unemployment compensation system. Such research shall include, but not be limited to, a program of factual studies covering the role of unemployment compensation under varying patterns of unemployment, the relationship between the unemployment compensation and other social insurance programs, the effect of State eligibility and disqualification provisions, the personal characteristics, family situations, employment background and experience of claimants, with the results of such studies to be made public; and

"(2) establish a program of research to develop information (which shall be made public) as to the effect and impact of extending coverage to excluded groups.

"Authorization of appropriations

"(b) To assist in the establishment and provide for the continuation of the comprehensive research program relating to the unemployment compensation system, there are hereby authorized to be appropriated for the fiscal year ending June 30, 1967, and for each year thereafter such sums as may be necessary to carry out the purposes of this section. From the sums authorized to be appropriated by this subsection the Secretary may provide for the conduct of such research through grants or contracts.

"Training grants for unemployment compensation personnel

"SEC. 907. (a) In order to assist in increasing the effectiveness and efficiency of administration of the unemployment compensation program by increasing the number of adequately trained personnel, there are hereby authorized to be appropriated for the fiscal year ending June 30, 1967, the sum of $1,000,000, and for each fiscal year thereafter such sums as may be necessary for training such personnel.

"(b)(1) From the sums authorized to be appropriated by subsection (a) the Secretary shall provide (A) directly and through State agencies or through grants to or contracts with public or nonprofit private institutions of higher learning, for training personnel who are employed or preparing for employment in the administration of the unemployment compensation program, including claims determinations and adjudication, and (B) directly or through grants to or contracts with public or nonprofit private agencies or institutions, for special courses of study or seminars of short duration (not in excess of one year) for training of such personnel, and (C) directly or through grants to or contracts with public or nonprofit private institutions of higher learning, for establishing and maintaining fellowships or traineeships for such personnel at such institutions, with such stipends and allowances as may be permitted by the Secretary.

"(2) The Secretary may, to the extent he finds such action to be necessary, prescribe requirements to assure that any individual will repay the amounts of his fellowship or traineeship received under this subsection to the extent such individual fails to serve, for the period prescribed by the Secretary, with a State agency or with the Federal Government, in connection with administration of any State employment security program. The Secretary may relieve any individual of his obligation to so repay, in whole or in part, whenever and to the extent that requirement of such repayment would, in his judgment, be inequitable or would be contrary to the purposes of any of the programs established by this section."

Use of Certain Amounts for Payment of Expenses of Administration

SEC. 143. Section 903(c)(2) of the Social Security Act (42 U.S.C., sec. 1103(c)(2)) is amended—

(1) by striking out "nine preceding fiscal years." in subparagraph (D) of the first sentence and inserting in lieu thereof "fourteen preceding fiscal years,";

(2) by striking out "such ten fiscal years" in subparagraph (D) of the first sentence and inserting in lieu thereof "such fifteen fiscal years"; and

(3) by striking out "ninth preceding fiscal year" in the second sentence and inserting in lieu thereof "fourteenth preceding fiscal year".

Change in Certification Date

SEC. 144. (a) Section 3302(a)(1) of the Internal Revenue Code of 1954 is amended by—

(1) striking out "for the taxable year" after "certified"; and

(2) inserting before the period at the end thereof the following: "for the 12-month period ending on October 31 of such year".

(b) Section 3302(b) of such Code is amended by—

(1) striking out "for the taxable year" after "certified";

(2) inserting after "section 3303" the following: "for the 12-month period ending on October 31 of such year"; and

(3) striking out "the taxable year" the last place it appears and inserting in lieu thereof "such 12-month period".

(c) Section 3303(b)(1) of such Code is amended to read as follows:

"(1) On October 31 of each calendar year, the Secretary of Labor shall certify to the Secretary the law of each State (certified by the Secretary of Labor as provided in section 3304 for the 12-month period on such October 31) with respect to which he finds that reduced rates of contributions were allowable with respect to such 12-month period only in accordance with the provisions of subsection (a)."

(d) Section 3303(b)(2) of such Code is amended by—

(1) striking out "taxable year" where it first appears and inserting in lieu thereof "12-month period ending on October 31";

(2) striking out "on December 31 of such taxable year" following the words "the Secretary of Labor shall" and inserting in lieu thereof "on such October 31"; and

(3) striking out "taxable year" after "contributions were allowable with respect to such" and inserting in lieu thereof "12-month period".

(e) Section 3303(b)(3) of such Code is amended by—

(1) striking out "taxable year" where it first appears and inserting in lieu thereof "12-month period ending on October 31";

(2) striking out "taxable year" where it next appears and inserting in lieu thereof "12-month period".

(f) Section 3304(d) of such Code is amended by striking out "If, at any time during the taxable year," and inserting in lieu thereof "If at any time".

(g) Section 3304 of such Code is amended by adding at the end thereof the following new subsection:

"(e) CHANGE OF LAW DURING 12-MONTH PERIOD.—Whenever—

"(1) any provision of this section, section 3302, or section 3303 refers to a 12-month period ending on October 31 of a year, and

"(2) the law applicable to one portion of such period differs from the law applicable to another portion of such period,

then such provision shall be applied by taking into account for each such portion the law applicable to such portion."

(h) The amendments made by this section shall apply with respect to the taxable year 1967 and taxable years thereafter.

TITLE II—FEDERAL-STATE EXTENDED UNEMPLOYMENT COMPENSATION PROGRAM

Short title

SEC. 201. This title may be cited as the "Federal-State Extended Unemployment Compensation Act of 1966".

Payment of extended compensation

State Law Requirements

SEC. 202. (a)(1) For purposes of section 3304(a)(11) of the Internal Revenue Code of 1954, a State law shall provide that payment of extended compensation shall be made, for any week of unemployment which begins in the individual's eligibility period, to individuals who have exhausted all rights to regular compensation under the State law and who have no rights to regular compensation, with respect to such week under such law or any other State unemployment compensation law or to compensation under any other Federal law. For purposes of the preceding sentence, an individual shall have exhausted his rights to regular compensation under a State law (A) when no payments of regular compensation can be made under such law because such individual has received all regular compensation available to him based on wage credits for his base period, or (B) when his rights to such compensation have terminated by reason of the expiration of the benefit year with respect to which such rights existed.

(2) Except where inconsistent with the provisions of this title, the terms and conditions of the State law which apply to claims for regular compensation and to the payment thereof shall apply to claims for extended compensation and to the payment thereof.

State May Impose Special Eligibility Requirement

(b) Notwithstanding subsection (a)(2), the State law may provide that to be eligible for extended compensation an individual must have had a number of weeks (specified in such law, but not to exceed twenty-six weeks) of covered employment in his base period (or a specified wage or work history which is the substantial equivalent).

Individuals' Compensation Accounts

(d)(1) The State law shall provide that the State will establish, for each eligible individual who files an application therefor, an extended compensation account with respect to such individuals' benefit year. The amount established in such account shall be not less than whichever of the following is the least:

(A) 50 per centum of the total amount of regular compensation (including dependents' allowances) payable to him during such benefit year under such law,

(B) thirteen times his average weekly benefit amount, or

(C) thirty-nine times his average weekly benefit amount, reduced by the regular compensation paid (or deemed paid) to him during such benefit year under such law;

except that the amount so determined shall (if the State law so provides) be reduced by the aggregate amount of additional compensation paid (or deemed paid) to him under such law for prior weeks of unemployment in such benefit year which did not begin in an extended benefit period.

(2) For purposes of paragraph (1), an individual's weekly benefit amount for a week is the amount of regular compensation (including dependents' allowances) under the State law payable to such individual for such week for total unemployment.

Extended benefit period

Beginning and Ending

SEC. 203. (a) For purposes of this title, in the case of any State, an extended benefit period—

(1) shall begin with the third week after whichever of the following weeks first occurs:

(A) a week for which there is a national "on" indicator, or

(B) a week for which there is a State "on" indicator; and

(2) shall end with the third week after the first week for which there is both a national "off" indicator and a State "off" indicator.

Special Rules

(b) (1) In the case of any State—

(A) no extended benefit period shall last for a period of less than thirteen consecutive weeks, and

(B) no extended benefit period may begin by reason of a State "on" indicator before the fourteenth week after the close of a prior extended benefit period with respect to such State.

(2) When a determination has been made that an extended benefit period is beginning or ending with respect to a State (or all the States), the Secretary shall cause notice of such determination to be published in the Federal Register.

Eligibility Period

(c) For purposes of this title, an individual's eligibility period under the State law shall consist of the weeks in his benefit year which begin in an extended benefit period and, if his benefit year ends within such extended benefit period, the next thirteen or fewer weeks which begin in such extended benefit period.

National "On" and "Off" Indicators

(d) For purposes of this section—

(1) There is a national "on" indicator for a week if—

(A) for each of the three most recent calendar months ending before such week, the rate of insured unemployment (seasonally adjusted) for all States equaled or exceeded 5 per centum (determined by reference to the average monthly covered employment for the first four of the most recent six calendar quarters ending before the month in question), and

(B) the total number of claimants exhausting their rights to regular compensation under all State laws during the period consisting of such three months equaled or exceeded 1 per centum of average monthly covered employment under all State laws for the first four of the most recent six calendar quarters ending before the beginning of such period. (2). There is a national "off" indicator for a week if either—

(A) for the most recent calendar month ending before such week, the rate of insured unemployment (seasonally adjusted) for all States was less than 5 per centum (determined by reference to the average monthly covered employment for the first four of the most recent six calendar quarters ending before such month), or

(B) paragraph (1) (B) was not satisfied with respect to such week.

State "On" and "Off" Indicators

(e) For purposes of this section—

(1) There is a State "on" indicator for a week if the rate of insured unemployment under the State law for the period consisting of such week and the immediately preceding twelve weeks—

(A) equaled or exceeded 120 per centum of the average of such rates for the corresponding thirteen-week period ending in each of the preceding two calendar years, and

(B) equaled or exceeded 3 per centum.

(2) There is a State "off" indicator for a week if, for the period consisting of such week and the immediately preceding twelve weeks, either subparagraph (A) or subparagraph (B) of paragraph (1) was not satisfied.

For purposes of this subsection, the rate of insured unemployment for any 13-week pe-

riod shall be determined by reference to the average monthly covered employment under the State law for the first four of the most recent six calendar quarters ending before the close of such period.

Rate of Insured Unemployment; Covered Employment

(f)(1) For purposes of subsections (d) and (e), the term "rate of insured unemployment" means the percentage arrived at by dividing—

(A) the average weekly number of individuals filing claims for weeks of unemployment with respect to the specified period, as determined on the basis of the reports made by all State agencies (or, in the case of subsection (e), by the State agency) to the Secretary, by

(B) the average monthly covered employment for the specified period.

(2) Determinations under subsection (d) shall be made by the Secretary in accordance with regulations prescribed by him.

(3) Determinations under subsection (e) shall be made by the State agency in accordance with regulations prescribed by the Secretary.

Payments to States

Amount Payable

SEC. 204. (a) (1) There shall be paid to each State an amount equal to one-half of the sum of—

(A) the sharable extended compensation, and

(B) the sharable regular compensation, paid to individuals under the State law.

(2) No payment shall be made to any State under this subsection in respect of compensation for which the State is entitled to reimbursement under the provisions of any Federal law other than this Act.

Sharable Extended Compensation

(b) For purposes of subsection (a) (1) (A), extended compensation paid to an individual for weeks of unemployment in such individual's eligibility period is sharable extended compensation to the extent that the aggregate extended compensation paid to such individual with respect to any benefit year does not exceed the smallest of the amounts referred to in subparagraphs (A), (B), and (C) of section 202(d) (1).

Sharable Regular Compensation

(c) For purposes of subsection (a) (1) (B), regular compensation paid to an individual for a week of unemployment is sharable regular compensation—

(1) if such week is in such individual's eligibility period (determined under section 203(c)), and

(2) to the extent that the sum of such compensation, plus the regular compensation paid (or deemed paid) to him with respect to prior weeks of unemployment in the benefit year, exceeds twenty-six times (and does not exceed thirty-nine times) the average weekly benefit amount (including allowances for dependents) for weeks of total unemployment payable to such individual under the State law in such benefit year.

Payment on Calendar Month Basis

(d) There shall be paid to each State either in advance or by way of reimbursement, as may be determined by the Secretary, such sum as the Secretary estimates the State will be entitled to receive under this title for each calendar month, reduced or increased, as the case may be, by any sum by which the Secretary finds that his estimates for any prior calendar month were greater or less than the amounts which should have been paid to the State. Such estimates may be made upon the basis of such statistical, sampling, or other method as may be agreed upon by the Secretary and the State agency.

Certification

(e) The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State the sums payable to such State under this section. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payment to the State in accordance with such certification, by transfers from the extended unemployment compensation account to the account of such State in the unemployment trust fund.

Definitions

SEC. 205. For purposes of this title—

(1) The term "compensation" means cash benefits payable to individuals with respect to their unemployment.

(2) The term "regular compensation" means compensation payable to an individual under any State unemployment compensation law (including compensation payable pursuant to title XV of the Social Security Act), other than extended compensation and additional compensation.

(3) The term "extended compensation" means compensation (including additional compensation and compensation payable pursuant to title XV of the Social Security Act) payable for weeks of unemployment beginning in an extended benefit period to an individual under those provisions of the State law which satisfy the requirements of this title with respect to the payment of extended compensation.

(4) The term "additional compensation" means compensation payable to exhaustees by reason of conditions of high unemployment or by reason of other special factors.

(5) The term "benefit year" means the benefit year as defined in the applicable State law.

(6) The term "base period" means the base period as determined under applicable State law for the benefit year.

(7) The term "Secretary" means the Secretary of Labor of the United States.

(8) The term "State" includes the District of Columbia and the Commonwealth of Puerto Rico.

(9) The term "State agency" means the agency of the State which administers its State law.

(10) The term "State law" means the unemployment compensation law of the State, approved by the Secretary under section 3304 of the Internal Revenue Code of 1954.

(11) The term "week" means a week as defined in the applicable State law.

Extended unemployment compensation account

SEC. 206. (a) Title IX of the Social Security Act is amended by striking out section 905 and inserting in lieu thereof the following new section:

"EXTENDED UNEMPLOYMENT COMPENSATION ACCOUNT

"Establishment of account

"SEC. 905. (a) There is hereby established in the Unemployment Trust Fund an extended unemployment compensation account for the purposes provided for in section 904(e), such account shall be maintained as a separate book account.

"Transfers to Account

"(b)(1) The Secretary of the Treasury shall transfer (as of the close of January 1968, and each month thereafter), from the employment security administration account to the extended unemployment compensation account established by subsection (a), an amount determined by him to be equal to 16⅔ per centum of the amount by which—

"(A) transfers to the employment security administration account pursuant to section 901(b)(2) during such month, exceed

"(B) payments during such month from the employment security administration account pursuant to section 901(b)(3) and (d). If for any such month the payments referred to in subparagraph (B) exceed the transfers referred to in subparagraph (A), proper adjustments shall be made in the amounts subsequently transferred.

"(2) Whenever the Secretary of the Treasury determines pursuant to section 901(f) that there is an excess in the employment security administration account as of the close of any fiscal year beginning after June 30, 1967, there shall be transferred (as of the beginning of the succeeding fiscal year) to the extended unemployment compensation account the total amount of such excess or so much thereof as is required to increase the amount in the extended unemployment compensation account to whichever of the following is the greater:

"(A) $500,000,000, or

"(B) the amount (determined by the Secretary of Labor and certified by him to the Secretary of the Treasury) equal to two-tenths of 1 per centum of the total wages subject (determined without any limitation on amount) to contributions under all State unemployment compensation laws for the calendar year ending during the fiscal year for which the excess is determined.

Transfers to State Accounts

"(c) Amounts in the extended unemployment compensation fund shall be available for transfer to the accounts of the States in the unemployment trust fund as provided by section 204(e) of the Federal-State Extended Unemployment Compensation Act of 1966.

"Transfers to Federal Unemployment Account

"(d) If the balance in the extended unemployment compensation account as of the close of any fiscal year exceeds the greater of the amounts referred to in subparagraphs (A) and (B) of subsection (b)(2), the Secretary of the Treasury shall transfer (as of the close of such fiscal year) from such account to the Federal unemployment account an amount equal to such excess. In applying section 902(b), any amount transferred pursuant to this subsection as of the close of any fiscal year shall be treated as an amount in the Federal unemployment account as of the close of such fiscal year.

"Advances to Extended Unemployment Compensation Account

"(e) There are hereby authorized to be appropriated to the extended unemployment compensation account, as repayable advances (without interest), such sums as may be necessary to provide for the transfers referred to in subsection (c)."

(b)(1) Section 901(f)(3) of the Social Security Act is amended by striking out "to the Federal unemployment account" and inserting in lieu thereof "to the extended unemployment compensation account, to the Federal unemployment account, or both,".

(2) Section 902(a) of such Act is amended by striking out "the total amount of such excess" and inserting in lieu thereof "the portion of such excess remaining after the application of section 905(b)(2)".

(3) The second sentence of section 1203 of such Act is amended to read as follows: "Whenever, after the application of section 901(f)(3) with respect to the excess in the employment security administration account as of the close of any fiscal year, there remains any portion of such excess, so much of such remainder as does not exceed the balances of advances made pursuant to section 905(e) or this section shall be transferred to the general fund of the Treasury and shall be credited against, and shall

operate to reduce, first the balance of advances under section 905(e) and then the balance of advances under this section."

Approval of State laws

SEC. 207. Section 3304(a) of the Internal Revenue Code of 1954 is amended by inserting after paragraph (10) (added by section 121(a) of this Act) the following new paragraph:

"(11) extended compensation shall be payable as provided by the Federal-State Extended Unemployment Compensation Act of 1966; and".

Effective dates

SEC. 208. (a) In applying section 203, no extended benefit period may begin with a week beginning before January 1, 1969.

(b) Section 204 shall apply with respect to weeks of unemployment beginning after December 31, 1968.

(c) The amendment made by section 207 shall apply to the taxable year 1969 and taxable years thereafter.

TITLE III—FINANCING

Increase in tax rate

SEC. 301. (a) Section 3301 of the Internal Revenue Code of 1954 (relating to rate of tax under Federal Unemployment Tax Act) is amended—

(1) by striking out "1961" and inserting in lieu thereof "1967",

(2) by striking out "3.1 percent" in the first sentence and inserting in lieu thereof "3.3 percent", and

(3) by striking out the last two sentences.

(b) The amendments made by subsection (a) shall apply with respect to the calendar year 1967 and calendar years thereafter.

Increase in wage base

SEC. 302. (a) Effective with respect to remuneration paid after December 31, 1968, section 3306(b)(1) of the Internal Revenue Code of 1954 is amended by striking out "$3,000" each place it appears and inserting in lieu thereof "$3,900".

(b) Effective with respect to remuneration paid after December 31, 1971, section 3306(b)(1) of such Code (as amended by subsection (a)) is amended by striking out "$3,900" each place it appears and inserting in lieu thereof "$4,200".

The CHAIRMAN. Under the rule, no amendments are in order except amendments offered by direction of the Committee on Ways and Means. Are there any committee amendments?

Mr. MILLS. Mr. Chairman, there are no committee amendments.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having assumed the chair, Mr. ZABLOCKI, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration of the bill (H.R. 15119) to extend and improve the Federal-State unemployment compensation program, pursuant to House Resolution 893, he reported the bill back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

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

Mr. CURTIS. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. CURTIS. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. CURTIS moves to recommit the bill H.R. 15119 to the Committee on Ways and Means.

Mr. MILLS. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

Mr. MILLS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 375, nays 10, not voting 47, as follows:

[Roll No. 150]

YEAS—375

Abbitt	Cramer	Haley
Abernethy	Culver	Hall
Adair	Cunningham	Halleck
Adams	Curtin	Halpern
Addabbo	Daddario	Hamilton
Albert	Dague	Hanley
Anderson, Ill.	Daniels	Hansen, Idaho
Anderson, Tenn.	Davis, Ga.	Hansen, Iowa
	Davis, Wis.	Hansen, Wash.
Andrews, George W.	Dawson	Hardy
	de la Garza	Harvey, Mich.
Annunzio	Delaney	Hathaway
Arends	Dent	Hawkins
Ashbrook	Denton	Hays
Ashley	Derwinski	Hébert
Aspinall	Devine	Hechler
Ayres	Dickinson	Helstoski
Bandstra	Dingell	Henderson
Baring	Dole	Herlong
Barrett	Donohue	Hicks
Bates	Dorn	Holifield
Battin	Dow	Holland
Beckworth	Dowdy	Horton
Belcher	Downing	Hosmer
Bell	Dulski	Howard
Bennett	Duncan, Oreg.	Hull
Berry	Duncan, Tenn.	Hungate
Betts	Dwyer	Hutchinson
Bingham	Dyal	Ichord
Blatnik	Edmondson	Irwin
Boggs	Edwards, Ala.	Jacobs
Boland	Edwards, Calif.	Jarman
Bolling	Edwards, La.	Jennings
Bolton	Erlenborn	Joelson
Bow	Evans, Colo.	Johnson, Calif.
Brademas	Everett	Johnson, Okla.
Bray	Fallon	Johnson, Pa.
Brooks	Farnum	Jonas
Broomfield	Fascell	Jones, Ala.
Brown, Calif.	Feighan	Jones, Mo.
Broyhill, N.C.	Findley	Karsten
Broyhill, Va.	Fino	Karth
Burke	Fisher	Kastenmeier
Burleson	Flood	Keith
Burton, Calif.	Foley	Keogh
Burton, Utah	Ford, Gerald R.	King, Calif.
Byrne, Pa.	Ford, William D.	King, N.Y.
Byrnes, Wis.		King, Utah
Cabell	Fountain	Kirwan
Cahill	Fraser	Kluczynski
Callan	Frelinghuysen	Kornegay
Callaway	Friedel	Krebs
Cameron	Fulton, Pa.	Kunkel
Carey	Fulton, Tenn.	Kupferman
Carter	Fuqua	Laird
Casey	Gallagher	Landrum
Cederberg	Garmatz	Langen
Celler	Gathings	Latta
Chamberlain	Gettys	Leggett
Chelf	Giaimo	Lennon
Clancy	Gibbons	Lipscomb
Clark	Gilligan	Long, Md.
Clausen, Don H.	Gonzalez	Love
	Goodell	McCarthy
Clawson, Del	Grabowski	McClory
Cleveland	Green, Oreg.	McCulloch
Clevenger	Green, Pa.	McDade
Cohelan	Greigg	McDowell
Collier	Grider	McEwen
Colmer	Griffiths	McFall
Conable	Gross	McGrath
Conte	Grover	McVicker
Cooley	Gubser	Macdonald
Corbett	Gurney	MacGregor
Craley	Hagen, Calif.	Machen
Mackay	Poage	Smith, Va.
Mackie	Poff	Springer
Madden	Price	Stafford
Mahon	Pucinski	Staggers
Mailliard	Purcell	Stalbaum
Marsh	Quillen	Stanton
Martin, Ala.	Race	Steed
Martin, Nebr.	Randall	Stephens
Mathias	Redlin	Stratton
Matsunaga	Rees	Stubblefield
Matthews	Reid, Ill.	Sullivan
May	Reid, N.Y.	Sweeney
Meeds	Reifel	Talcott
Michel	Reuss	Taylor
Miller	Rhodes, Ariz.	Teague, Calif.
Mills	Rhodes, Pa.	Tenzer
Minish	Rivers, Alaska	Thomas
Mink	Rivers, S.C.	Thompson, N.J.
Minshall	Roberts	Thompson, Tex.
Mize	Robison	Thomson, Wis.
Moeller	Rodino	Todd
Monagan	Rogers, Colo.	Tuck
Moore	Rogers, Fla.	Tunney
Moorhead	Ronan	Tupper
Morgan	Roncalio	Tuten
Morris	Rooney, Pa.	Udall
Morse	Rosenthal	Ullman
Mosher	Rostenkowski	Utt
Moss	Roudebush	Van Deerlin
Murphy, Ill.	Roush	Vigorito
Murphy, N.Y.	Roybal	Vivian
Natcher	Rumsfeld	Waggonner
Nedzi	Ryan	Waldie
Nelsen	Satterfield	Walker, N. Mex.
O'Brien	St Germain	Watkins
O'Hara, Ill.	St. Onge	Watts
O'Hara, Mich.	Saylor	Weltner
O'Konski	Scheuer	Whalley
Olsen, Mont.	Schisler	White, Idaho
Olson, Minn.	Schmidhauser	White, Tex.
O'Neal, Ga.	Schneebeli	Whitener
O'Neill, Mass.	Schweiker	Widnall
Ottinger	Secrest	Wilson, Charles H.
Patman	Senner	
Patten	Shriver	Wolff
Pelly	Sickles	Wright
Pepper	Sikes	Wyatt
Perkins	Sisk	Wydler
Philbin	Skubitz	Yates
Pickle	Slack	Young
Pike	Smith, Calif.	Zablocki
Pirnie	Smith, Iowa	

NAYS—10

Ashmore	Pool	Watson
Curtis	Rogers, Tex.	Whitten
McMillan	Teague, Tex.	
Passman	Walker, Miss.	

NOT VOTING—47

Andrews, Glenn	Gilbert	Powell
	Gray	Quie
Andrews, N. Dak.	Hagan, Ga.	Reinecke
	Hanna	Resnick
Brock	Harsha	Rooney, N.Y.
Brown, Clarence J., Jr.	Harvey, Ind.	Scott
	Huot	Selden
Buchanan	Jones, N.C.	Shipley
Conyers	Kee	Smith, N.Y.
Corman	Kelly	Toll
Diggs	Long, La.	Trimble
Ellsworth	Martin, Mass.	Vanik
Evins, Tenn.	Morrison	Williams
Farbstein	Morton	Willis
Farnsley	Multer	Wilson, Bob
Flynt	Murray	Younger
Fogarty	Nix	

So the bill was passed.

The Clerk announced the following pairs:

Mr. Long of Louisiana with Mr. Brock.
Mr. Shipley with Mr. Younger.
Mr. Conyers with Mr. Ellsworth.
Mr. Vanik with Mr. Clarence J. Brown, Jr.
Mr. Williams with Mr. Buchanan.
Mr. Gilbert with Mr. Smith of New York.
Mr. Resnick with Mr. Glenn Andrews.
Mr. Scott with Mr. Quie.
Mr. Corman with Mr. Bob Wilson.
Mr. Multer with Mr. Harsha.
Mr. Evins of Tennessee with Mr. Andrews of North Dakota.
Mr. Morrison with Mr. Martin of Massachusetts.
Mr. Hanna with Mr. Reinecke.
Mr. Farnsley with Mr. Morton.
Mr. Trimble with Mr. Harvey of Indiana.
Mr. Diggs with Mr. Huot.
Mr. Willis with Mr. Rooney.
Mr. Toll with Mr. Powell.
Mr. Selden with Mr. Murray.

Mr. Gray with Mr. Nix.
Mr. Jonas of North Carolina with Mr. Flynt.
Mr. Fogarty with Mr. Farbstein.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. MILLS. Mr. Speaker, I ask unanimous consent that those of us speaking in general debate today on the bill just passed may be permitted to revise and extend their own remarks and include extraneous matter.

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

There was no objection.

Mr. MILLS. Mr. Speaker, I ask unanimous consent that all those Members desiring to do so at that point in the RECORD where I propounded the unanimous-consent request in the Committee of the Whole be permitted to have 5 legislative days in which to extend their remarks.

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

There was no objection.

ROLE OF HELICOPTER SERVICE IN AIR TRANSPORTATION

Mr. PICKLE. 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 Texas?

There was no objection.

Mr. PICKLE. Mr. Speaker, last month I spoke briefly on the very important role that helicopter service could play in air transportation in this country by relieving the traffic congestion that inevitably develops at airports in major metropolitan centers.

At that time, I suggested that the time had come to give realistic support to establishing some type of helicopter operation in these areas, and I urged a study of this problem be undertaken.

Ground traffic in the Baltimore-Washington area is definitely a clear-cut case of congestion.

Perhaps, then, the most ideal place to start some type of direct lift aircraft program would be right here in the Nation's Capital.

Almost every day, I have read or heard reports that stressed the overcrowded conditions at Washington's National Airport, while at the same time there has been a slowing down of traffic, by comparison, at Dulles and Friendship airports.

If an adequate helicopter transportation system was available at these three airports and in downtown locations of Baltimore and Washington there would be an untold amount of time saved by users of commercial air transportation as well as relieving the critically crowded and congested conditions.

I am pleased to report that one of our colleagues, the gentleman from Maryland, the Honorable SAMUEL FRIEDEL, has recommended to Mr. Charles Murphy, Chairman of the Civil Aeronautics Board, that a comprehensive study be initiated with regard to establishing helicopter service in the Baltimore-Washington area.

I endorse this move as a giant step forward in the direction of reducing traffic congestion as well as providing a much needed service to air travelers and I urge that this study be authorized at the earliest possible date.

As a further recommendation, I urge that a demonstration or trial flight from a central downtown location, the Elipse for example, to the various Washington area airports to point up the many benefits in cost and time saved that would be derived from such an operation.

If such a trial helicoper operation were established, I am sure that the Commerce Committee, if it could be so provided, would invite any Member to test these facilities on a personal basis.

CHICAGO HONORS SAMUEL A. GOLDSMITH

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 and include extraneous matter.

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

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, tonight Chicago is honoring Samuel A. Goldsmith upon his retirement as executive vice president of the Jewish Federation of Metropolitan Chicago, the Jewish Welfare Fund of Metropolitan Chicago, and the Combined Jewish Appeal of Metropolitan Chicago.

Mr. Goldsmith has been the executive head of Chicago's Jewish philanthropies for 36 years. He has been recognized as one of the Nation's foremost authorities in the field of community welfare. Tonight's reception and dinner will be held in the Grand Ballroom and State Ballroom of the Palmer House and will be one of the largest gatherings of the season, a testimonial of the high esteem and warm affection in which Mr. Goldsmith is held by his fellow Chicagoans. Speakers will be Mayor Richard J. Daley; Lt. Gov. Samuel H. Shapiro; Ambassador Michael S. Comay; Abram D. Davis, president, the Jewish Federation; Morris Glassner, president, Jewish Welfare Fund; Edward L. Ryerson; and Isidore Sobeloff.

Mr. Speaker, the labors of Samuel Goldsmith for more than half a century have made this a better and a nobler country. He has broadened the horizons of human compassion. I know that I speak for all my colleagues in extending to him the commendation, the congratulations and the good wishes of the House of Representatives of the Congress of the United States.

By unanimous consent I am extending my remarks to include the following tribute by the dinner committee of 187, chaired by Dr. Samuel S. Hollender:

SAMUEL A. GOLDSMITH

All that is creative in man stems from a seed of endless discontent.

Poets, authors, composers, artists; captains of industry and great scientists; entrepreneurs, and those who seek to unravel the nature of matter, or the universe. Many names come to mind of those who have reached out towards the limitless horizons of human achievement because the seed of discontent had been planted in the hearts of men. Men like Sam Goldsmith.

Sam Goldsmith has achieved much in the fifty-two years he has given to this field of social welfare. The man and the field grew up together, the two matured in concert, yet it is clearly true that the man influenced the field more. The field needed his boldness, his vigor, his intellectual depth, for this was a half-century in which society became more and more complicated, organizations developed rapidly to cope with the pressure of human needs. Sam Goldsmith gave direction and meaning to this development. But he gave far more: a sensitivity and commitment to human values which knew no bounds of personal sacrifice of time or energy or substance.

He served brilliantly as the executive head of this community's Jewish philanthropies for the past thirty-six years. His counsel and energies were frequently sought and always readily given to advance the work of numerous local and national private and public health and welfare agencies. Jewish and Christian alike. He brought all the wisdom of his experience and his philosophy to bear on Jewish welfare work particularly, at home and overseas in one of the most desperate eras of our history. These are some of the reasons why "his work has had so marked an impact on a field in which the Jewish community has made perhaps its most brilliant contribution to the American scene."

Sam Goldsmith is called "the highest ranking welfare statesman, the dean, the leading personality in the field of community welfare." He is direct, forthright, indefatigable, widely experienced, an iconoclast yet tolerant, a man whose handiwork has touched the lives of many millions of people, people in every walk of life, every creed.

This is the man whom we shall honor on June twenty-second.

Mr. PUCINSKI. Mr. Speaker, I am happy to join with my colleague, the gentleman from Illinois [Mr. O'HARA], in extending congratulations and good wishes to a great Chicagoan, Samuel A. Goldsmith, who for more than a third of a century has been the executive head of the Jewish philanthropies of Chicago. He has rendered an outstanding service in community welfare and has endeared himself to the people of Chicago.

GENERAL LEAVE

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. Is there objection to the request of the gentleman from Illinois?

There was no objection.

JOB ORIENTATION IN NEIGHBORHOODS PRESENTS PETITION

Mr. RYAN. 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 New York?

There was no objection.

Mr. RYAN. Mr. Speaker, yesterday 75 New York City youths who belong to the Alumni Clubs of JOIN—Job Orientation in Neighborhoods—traveled to Washington to present a petition addressed to the President of the United States.

This petition, which contains some 100,000 signatures which were gathered by these young people throughout the city, urges support for the narcotics legislation sponsored by Senators KENNEDY and JAVITS.

I was delighted to meet with these dedicated young people who understand that the narcotics addict needs medical and psychiatric treatment and rehabilitation services. I commend them for their efforts to bring about desired change through legislation. Their plea was an eloquent one—one Congress should heed.

The youths who planned and carried out the petition drive were placed in jobs through the services of JOIN. They have formed the JOIN Alumni Clubs composed of one-time unemployed school dropouts, ages 16 to 21. Their delegation to Washington was led by Henry Lopez of East Harlem, the chairman; Joyce Turner of Jamaica, the vice chairman; and Thomas Feeley of Staten Island, the secretary. They were accompanied by several members of the JOIN staff including, Genia Bonne, director of neighborhood organization, and Aramis Gomez, the director of the Herbert H. Lehman Center in East Harlem. El Diario-La Prensa, which furnished the bus for the trip, was ably represented, as usual, by Luisa Quintero.

Mr. Speaker, the dedication of these young people is an inspiration. I am sure that their efforts in the anti-narcotics project will affect future legislation and bring closer to reality their goals.

I should like to include at this point in the RECORD the moving speech which Henry Lopez, the chairman, made upon presenting the petition to John G. Stewart, assistant to Vice President HUMPHREY, who represented the Vice President at the ceremony. Senators JAVITS and KENNEDY and our colleague, the gentleman from New York [Mr. KUPFERMAN] joined me in participating in this presentation. I also include a copy of the petition:

SPEECH DELIVERED BY HENRY LOPEZ, CHAIRMAN OF JOIN ALUMNI ANTI-NARCOTICS PROJECT ON JUNE 21, 1966, AT WASHINGTON, D.C.

Senator JAVITS, Senator KENNEDY, Congressman RYAN, distinguished guests, fellow JOIN'ers, friends of JOIN Alumni, ladies and gentlemen, I am deeply honored to speak briefly on this occasion and address myself to the work the JOIN Alumni has done to assist in combating what we feel is one of the most serious, complex and crucial problems that beset many of our communities. That problem is drug addiction and its subsequent cancerous effects on its victims.

JOIN (Job Orientation in Neighborhoods) is an agency of the city of New York. It is set up to provide direct counseling, testing, job training, as well as, meaningful job placement to the high school dropout, 16 to 21 years of age, who is out of school, out of work, and, largely, out of hope. The Alumni Club of JOIN is a social and cultural organization that exists at each of our 9 JOIN centers located throughout the city. Our alumni organization is composed of the young men and women who come to JOIN for services. We elect our own officers and decide our own activities. This city-wide anti-narcotics petition campaign was our first city-wide involvement in community action.

Our alumni meetings give us the opportunity to think for ourselves and to delve deeply into those problems that continue to plague our city, our neighborhood, our block, and, yes, at times our very homes. At many alumni meetings in different sections of the city, the narcotics problem was the subject of great inquiry and discussion. These discussions usually followed the showing of a film or a talk on narcotics by a visiting expert. Most of us first heard of the Javits-Kennedy bills on anti-narcotics at these meetings. Needless to say, we liked what we heard about these bills and saw this also as a grand opportunity to do something about this problem through what we feel is the most realistic approach to the narcotics problem yet devised. Realistic because the Javits-Kennedy bills seek to create medical, social, and other rehabilitation services.

Further, and even *more* important, this legislation views the addict as a *sick* person in need of help. It junks the antiquated criminal designation of the addict. And so, the Alumni Clubs, following the lead of our New York Senators, agreed to get together—alumni members from all over the city—to help make these plans a reality.

We organized ourselves and drew up a petition to President Johnson urging him to use all his influence with Congress so that these bills may be passed into the law of the land as soon as possible. Our goal was the collection of *100,000* signatures. To obtain these signatures we went into the streets, into the highways and byways, into the schools, the churches, to the civic and social organizations. We canvassed the silk stocking district as well as the slums of Harlem and Bedford-Stuyvesant. We ourselves organized conferences, rallies, informational sessions to tell the public of our efforts. We appeared on T.V., on radio, were interviewed by major newspapers in a tremendous effort to inform and solicit New York's support behind this historic legislation. We are indeed happy to report, Mr. Vice President, New York, as usual came through. We have the 100,000 signatures and many more!!! We now leave the burden with you, as our chosen leaders will use all your influence and legislative know-how to get this valuable anti-narcotics legislation off the drawing boards, out of the committees and into the vast arena of human suffering brought about by this cruel epidemic of drug addiction. And you may be assured also, gentlemen, that Harlem, E. Harlem, Bedford Stuyvesant, Williamsburg, Staten Island, the Bronx, Jamaica, Bay Ridge, and the whole of New York are behind you in every way. We stand firm in our commitment that we must not allow this scourge of drug addiction to claim one more victim. We look around our neighborhoods and see a virtual army of men, women and children—our generation—crippled by this germ, this disease and we know it must be stopped. We want this narcotics mess cleared up—starting now! To this point and no further!!

The petition follows:

CITY-WIDE ANTI-NARCOTICS PROJECT

Petition to the President of the United States in support of the Javits-Kennedy Anti-Narcotics bills

Mr. President, we, the undersigned, are alarmed at the great increase in narcotics addiction in New York City and elsewhere in the nation. We strongly support the legislation introduced by Senators JACOB K. JAVITS and ROBERT F. KENNEDY, by which the narcotics addict is properly viewed as a sick person in need of medical and psychological treatment and social rehabilitation, rather than as a criminal. We urge that the Administration's narcotics bill be amended to include Federal aid for treatment facilities and services for narcotics addicts, as proposed in the Javits-Kennedy bills. Furthermore, we support the stiffest possible prison terms for non-addicted "pushers" and others who profit from the misfortunes of narcotics addicts, with concern only for financial gain.

We urge you, Mr. President, to exert all your influence to ensure that the very highest priority is given to this legislation and to obtain its passage into law at the earliest possible time.

THEY DIED FOR OUR FREEDOM

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

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

There was no objection.

Mr. WAGGONNER. Mr. Speaker, as a recent editorial in the Shreveport Journal pointed out, 3,662 American men have died in combat in Vietnam since 1961 and there is no way, of course, to single out any 1, 2, or 3 of these men for special recognition. Each of these lives is precious, not only to those left behind who make up the immediate family, but precious as well to our Nation.

In a recent week, three of these young men were from Louisiana's Barksdale Air Force Base and the impact perhaps was greater than might have been had their deaths not all come in the same week. Regardless, their sacrifice for our freedom and the freedom of others, is worthy of our attention and I would like to commend this editorial to the attention of every Member. It comes from the Journal of June 11 and is entitled "They Died for Our Freedom":

THEY DIED FOR OUR FREEDOM

Three thousand, six hundred and sixty-two American men have died in combat in Viet Nam since 1961 when the United States first became involved in the war against Communism there.

U.S. casualties in Viet Nam for last week alone amounted to 109 killed, 636 wounded and 13 missing or captured. The toll for the previous week was 86 dead, 602 wounded and two missing.

From time to time, news dispatches have told of the deaths of Shreveport or other Ark-La-Tex soldiers who have perished in valorous action on the field of battle. The news has come in dribbles, the result being that only the next-of-kin have felt the real agony of warfare and have experienced its greatest loss. Since the number of Americans actually engaged in Viet Nam is proportionately small in relation to the population of a country so large as ours, the full measure of sacrifice on the part of those who are working and fighting and dying in the Far East is not properly appreciated.

The tragic consequences of war were brought home forcefully to Shreveport and North Louisiana during the past week when it was revealed that three Barksdale Air Force Base airmen had been ambushed and slain by Viet Cong troops last Sunday.

T/Sgt. Antone P. Marks, 34, S/Sgt. John P. Guerin, 28, and A-1C Rufus L. James, all of whom were a part of our community just a few months ago, have made the supreme sacrifice in order that other Americans might remain free. Sergeant Marks and Sergeant Guerin have left widows and children behind in Bossier City, while Airman James leaves a grieved father to mourn him in nearby Marshall, Tex.

The sacrifices of these three fine young men are neither greater nor less than those of any other American soldier who has given his life in Viet Nam. But the impact is greater because of the circumstances. All of these young men were known in Bossier City and in Shreveport. The families of the two sergeants reside on the same block in Bossier City. The plight of the widows and their children is a graphic reminder of the toll of war.

Our debt to these departed servicemen becomes all the greater when it is realized that this country today is permitting a situation whereby several hundred young Americans—using the description loosely—are residing in Canada as U.S. draftdodgers and loudly and proudly thumbing their noses at their draft boards and their country. Here in our own United States we have tolerated too long the antics of beatnik draftcard burners.

Canada refuses to extradite the American fugitives. When they become 31 years old, if they wish, they may return to the United States and, without fear of loss of citizenship or other punishment, be footloose and free to brag about how they outsmarted Uncle Sam while patriotic Americans were fighting and dying for their liberty. Congress should act now to prevent these characters from coming back to the country they refuse to defend.

Memorial services were held at Barksdale Air Force Base yesterday for the three men who were slain last Sunday. It is fitting that this nation's highest honors should be bestowed upon these men posthumously and that their survivors be given every consideration of a grateful government and its people. None of us—no matter how great our devotion to country—can match the contribution they have given for our freedom.

"ALIBI" FREEMAN

Mr. GROSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include a letter to Secretary Freeman.

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

There was no objection.

Mr. GROSS. Mr. Speaker, it was quite a performance "Alibi" Orville Freeman put on in Iowa last weekend in his desperate efforts to placate the irate farmers of the State.

At various stops, Freeman lambasted the news media for what he described as "sloppy reporting," for all practical purposes called a U.S. Senator a prevaricator, took a crack at the distinguished minority leader of the House of Representatives and lied about my voting record.

Incidentally, the taxpayers should be interested to know that "Alibi" Orville commandeered a military plane for his political junket, which simply means that they will be required to pick up the tab.

In an effort to be helpful, I have offered Freeman a suggestion. In a letter to the Secretary, I suggested that if he again tries to alibi himself and the Johnson administration from what the farmers of Iowa know was an attempt to make them the goats for inflation, that he ought not to be quite so "sloppy" in his regard for the truth.

Following is the text of my letter to Freeman:

JUNE 22, 1966.

Hon. ORVILLE L. FREEMAN,
The Secretary of Agriculture,
Washington, D.C.

DEAR SIR: While in Iowa last week on a political junket, you were quoted by at least two reporters as saying: "Congressman GROSS has voted against every piece of farm legislation in his very long and questionable career."

Is this an accurate quote or would you describe it as another example of the "sloppy reporting" you talked so much about in your desperate efforts to placate the understandably irate farmers of Iowa?

In either event, I have news for you. You underrate the intelligence of the farmers of Iowa if you think they will be influenced by such hogwash.

First of all, the farmers of Iowa know I have voted for many sound agriculture bills during my service in Congress. They also know I voted in their best interests in opposing your plan to slap strict controls on feed grain farmers; a plan, incidentally, which was opposed by a substantial number of members of your own political party.

In addition, they know I voted in their best interests in voting to restore the budget cuts you had recommended in the school lunch, special milk, land-grant college, Farmers Home Administration, REA and conservation programs.

As for your comments about "sloppy reporting," the farmers of Iowa know there was nothing "sloppy" about the notable service performed by Nick Kotz of the Des Moines Register in uncovering your confidential "Dear Bob" letter to Defense Secretary McNamara. This was the letter in which you recommended a sharp reduction in pork purchases for the military and which also indicates you suggested certain other actions which would have the effect of undermining farm income.

I have a suggestion if in the future you try again to alibi yourself and the Johnson administration from the responsibility for what the farmers of Iowa know was an attempt to make them the goats for inflation: Please don't be quite so "sloppy" in your regard for the truth.

Sincerely,

H. R. GROSS.

GO-GO GIRLS ENTERTAIN REPUBLICAN CONVENTION

Mr. SMITH of Iowa. 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 Iowa?

There was no objection.

Mr. SMITH of Iowa. Mr. Speaker, there were two big events out in Iowa over the weekend, one where apparently my friend from the Third District of Iowa has his record discussed and the other one was the Republican convention where they discussed the records of the rest of the Iowa delegation. I notice the gentleman from Iowa, my friend from the Third District, attended that convention. I am glad he did, and certainly he had every right to do so. I notice that according to the newspaper for entertainment they had some go-go girls. Apparently they will go to any length to try to get some younger ideas back into the minds of some of those old mossback Republicans.

THE "FORTAS" DECISION

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

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

There was no objection.

Mr. HALL. Mr. Speaker, about a year ago, after continuing reports of the rising national crime rate, President Johnson decided to declare war on crime, and appointed a so-called "Blue Ribbon Commission" to decide how to stop crime on our streets.

Commendable, but not long afterward President Johnson made his first appointment to the Supreme Court—Mr. Abe Fortas.

I spoke on the floor of the House of Representatives in opposition to the Fortas appointment, but is was to no avail, as the President's party gave him a solid vote of endorsement in the Senate.

Last week, the Supreme Court, in an historic decision, set down new ground rules which placed severe, if not impossible, restrictions on the right of the police to question criminal suspects. Most police officials around the Nation and the overwhelming majority of the Nation's press—including the two large metropolitan dailies in our congressional district—deplored the Supreme Court ruling.

The Supreme Court ruling carried by 1 vote. The deciding vote on this issue was cast by Mr. Abe Fortas, the Johnson appointee, who only a few days before his appointment, said that he believed in the right of the police to question criminal suspects. So, not only is the Johnson war on crime a war in reverse, but it very likely cannot be changed until another President has an opportunity to appoint a Supreme Court Justice, and that could be quite a while. If the next appointment is made by President Johnson, the issue could be decided the same way, except with a two-vote margin.

On the contrary, Justice Byron White, who was appointed by the late President Kennedy, voted with the minority, and against the new restrictions on our law enforcement agencies, charged with protecting society from the criminal.

The true issue involves the majority's eager, crusading spirit, tipping the balance of justice toward the criminal—without equal regard for those against whom the criminal has offended, and without regard for the responsibility of the State to protect life and property of the majority of law-abiding citizens.

I believe that history will record that the sound opinion of the Court was expressed, not by the majority opinion, but by the four dissenting Justices who, as Justice White pointed out, realize that this decision will turn loose many criminals to repeat their acts of terror, assault and murder. The full weight of this decisive one vote rests squarely on

the new Justice—Abe Fortas—and on the man who appointed him—President Lyndon B. Johnson.

I have just received the FBI uniform crime report for the first quarter of this year. It shows that crime in the United States rose 6 percent during the first 3 months over the same period in 1965.

President Johnson and Abe Fortas take note.

I ask unanimous consent to include the following editorial from the Springfield, Mo., Leader and Press.

[From the Springfield Leader and Press, June 14, 1966]

STEP BACKWARD

Yesterday the U.S. Supreme Court ruled a suspect may not be questioned by officers if he is alone "and indicates in any manner that he does not wish to be interrogated."

Although this newspaper in the past has been prone to defend most High Court decisions, here it feels the court is going too far in its interpretation of individual rights under the Constitution.

The ruling was based on the Fifth Amendment, which deals with safeguards against self-incrimination, and which we sometimes have felt is abused more than a little yet which is utterly essential to the American concept of justice: that a man is innocent until proven guilty.

In reading the court decision, Chief Justice Earl Warren pointed out certain fundamental rights: the suspect may be warned that anything he says may be used against him, is entitled to legal counsel, etc. We had assumed—believe that most police procedure in today's America will support the assumption—that these rights are customarily given to anywhere in the land.

However, we also had assumed—actually supported by the Supreme Court prior to yesterday—that a suspect's rights begin at the time when he is actually accused. Yesterday's ruling held such rights begin earlier, at the moment of apprehension.

There is more than an academic difference. Considerable helpful information in determining guilt can be obtained before the "accusatory" stage of investigation is reached—could be, that is, until yesterday.

Moreover, under the new interpretation, once arrested a guilty man may decide never to permit himself to be questioned. This gives individual rights a ridiculous edge over social rights.

Three justices dissented, apparently because they, too, felt the same way—and a fourth dissented in three of the four cases covered under the same broad ruling.

Justice Byron White declared that such "privilege against self-incrimination . . . has no significant support in the history of the privilege or in the language of the Fifth Amendment."

And Justice John Harlan feared the decision "entails harmful consequence for the country at large. How serious . . . only time can tell."

Law, of course, is as old as civilization, and its evolution has been slow but steady through the passing centuries. Its fundamental justification has been to protect society. Indeed, it has only been in the past three centuries that the individual counted as against the group.

We can thank democracy for that, and development of this concept along democratic lines has been one of the most significant contributors to Western greatness.

Nevertheless, there is a hazy philosophical corridor where the rights of the individual and the rights of society are hard to distinguish and separate. But one thing is certain, when individual rights begin to override rights of all society, there is the point where mankind begins to turn away from law to walk down the path to anarchy.

In a world where the complexities of crime grows apace with the tremendous complexities of overpopulation and all else that makes society go, anarchy is the one thing we can't afford.

The Supreme Court for two centuries has carved history in its glorious upholding of human and individual rights. Going too far in safeguarding the criminal—the individual against all society—can undo much of that glory.

Yesterday's decision was, in our opinion, a step in that direction.

A BILL TO PREVENT THE DESECRATION OF THE NATION'S CAPITOL

Mr. GONZALEZ. 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 Texas?

There was no objection.

Mr. GONZALEZ. Mr. Speaker, apparently, it is going to take an act of Congress to prevent the planned desecration of the Nation's Capitol. I have therefore introduced today a resolution that it is the sense of the Congress that the architecture of the historic west front of the Capitol of the United States should be preserved for the education and enjoyment of the people of the United States, and, therefore, any work done with respect to such west front should be limited to replacing or reconstructing damaged, deteriorating, or unsafe portions of such west front.

The preservation of the Nation's Capitol, its unique architecture and design, particularly the magnificent west front, is an obvious responsibility of the Office of the Architect of the Capitol. To intentionally plan its destruction has been aptly described as an act of vandalism, and is to me incomprehensible. It is as if the spirit of the British vandals who seized the Capitol and burned it down during the War of 1812 lives on in the most unlikely breasts.

I hope my colleagues will join me by introducing similar resolutions to save the Nation's Capitol.

Mr. Speaker, I place at this point in the RECORD the most eloquent editorial on this matter appearing in the Washington Post on June 21, 1966.

THE TEMPLE PROFANED

"We have built no national temples but the Capitol," said Rufus Choate. Now that temple is to be profaned and the architectural genius of Thornton, Bulfinch, Latrobe, and Walter is to be buried under cafeterias and other conveniences.

Allan Nevins has described the Capitol as "the best-loved and most revered building in America." He has called it "the Spirit of America in Stone." He has said it is "History—the Major Symbol of the Nation."

But the noble western front of the building with its handsome classic walls and its cascading staircases must give way to the convenience and comfort of Congressmen who need more room. Whether the exterior walls are or are not safe is a matter for competent engineers to decide. They have stood less than 200 years and sandstone structures of the kind elsewhere have lasted for hundreds of years. If they are unsafe, they can be rebuilt and replaced without alteration of the original design.

When bombs destroyed the British House of Commons in the 900-year-old palace of Westminster on the River Thames on May 10, 1941, the impulse of the whole British nation was its restoration, not its modification. When he visited the vast ruin on Oct. 29, 1943, Winston Churchill gazed upon the wreckage and said: "There I learnt my craft, and there it is now, a heap of rubble. I am glad that it is in my power, when it is rebuilt, to keep it as it was."

The English people, led by Churchill, insisted that the House be restored, even though the reproduction can seat but 437 of the 627 members.

The wrecker's ball soon will do for the west front of the Capitol what the Nazi bombers did for the House of Commons. Is there no American of equal devotion to the temple of American democracy who can insist that when it is rebuilt, it will be kept as it was?

U.N. KOREAN WAR ALLIES ASSOCIATION

Mr. MURPHY of New York. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mr. MURPHY of New York. Mr. Speaker, visiting in Washington this week is Mr. Kap-chong Chi who is the Director of the United Nations Korean War Allies Association. Mr. Chi departed his native city of Seoul, Korea, on June 3 en route to Brussels, Belgium, where he participated on June 5 in the unveiling ceremony of a magnificent 36-foot monument of the 106 members of the Belgian battalion who fought in Korea in the U.N. army that preserved the integrity of the Republic of South Korea. King Baudouin of Belgium, the Belgian Ambassador, the U.S. Ambassador were present for the ceremony, as was Mr. Chi; 450 members of the veterans of the Belgian battalion marched in the precerемony parade and were representative of the 3,600 men who served from that country during the Korean war.

Mr. Chi visited veterans organizations and war correspondent associations in the Netherlands, Luxembourg, France, England, and the United States. He will continue his tour to meet with President Harry Truman who took the forthright position to stem the flow of communism on that fateful day, June 24, 1950. Mr. Chi will then go to Canada and return to Seoul.

The U.N. Korean War Allies Association was formally established on January 19, 1963, prior to the 10th anniversary of the Korean armistice—July 27, 1953—with the warm and positive encouragement and support from the veterans of the United Nations forces who served in defense of freedom and justice during the Korean war. The purpose of UNKWAA is to promote better understanding and strengthen the friendly ties through a people-to-people movement among the people of the Allied Nations of the Korean war, and by doing so, to cement the unity of the free world and contribute to preserve world peace. The

16 nations that sent fighting forces are: Australia, Belgium, Canada, Colombia, Ethiopia, France, Greece, Luxembourg, The Netherlands, New Zealand, The Philippines, Republic of South Africa, Thailand, Turkey, United Kingdom, United States.

The five nations that sent medical units are: Denmark, India, Italy, Norway, and Sweden.

To date the association has successfully carried out the following activities:

First. Memorial service for the 17 U.N. war correspondents—United States, 10; United Kingdom, 4; France, 2; Philippine, 1—killed in the Korean war, July 27, 1963.

Second. Photo exhibition introducing the U.N. Korean war allies, July 1963.

Third. A good will reception in honor of the ex-commanders of the U.N. Korean war veterans, December 16, 1963.

Fourth. Memorial service for the late General of the Army, Douglas MacArthur, April 1964.

Fifth. Souvenir program for the hospitalized U.N. Korean war veterans, July 1964–March 1965. The organization sent Korean native souvenir mementos to a grand total of 12,080 hospitalized veterans. Australia, 18; Canada, 95; Philippines, 59; United Kingdom, 23; United States, 11,885.

Sixth. Ceremony of endowing the honorary citizenship of the special city of Seoul to the late Private First Class Monigan, U.S. Marine Corps, who was awarded the Medal of Honor, September 27, 1965.

Seventh. Ceremony, commemorating the 15th anniversary of the Republic of Korean and U.N. forces reaching the Korea-Manchuria border, November 22, 1965.

Eighth. A reception for the Foreign Missions and the United Nations Forces in Korea together with the Korean journalists, January 31, 1966.

Ninth. Erection of the memorial monument for the Philippine Expeditionary Forces to Korea, April 22, 1966.

Projects planned for the future are:

First. Construction of the memorial hall in Seoul, representing each Allied nation of the Korean war.

Second. Erection of memorial monuments in commemoration of each Allied nation's participation in the Korean war on the most appropriate sites to be selected by mutual agreement.

Third. Remembrance programs for the veterans of the United Nations forces who served for the noble cause of freedom and world peace.

Fourth. Sponsoring an international friendship program through a people-to-people movement between the civil organizations of Korea and those of the Allied Nations.

Fifth. Undertakings to remind Koreans of the foreign assistance and to introduce the past and present of Korea to the people of the free world.

Sixth. Holding the events introducing the Allied Nations and cultural exchange exhibitions.

Seventh. Exchange of art and athletic missions with the Allied Nations.

Eighth. International films festival participated by the Allied Nations: exchange and coproduction of films with each other.

Ninth. Arrangement for good-will reception once a month for the civilians of the Allied Nations residing in Korea.

Tenth. Publication of a monthly magazine.

In May, Mr. Chi met with the honorary chairman of the UNKWAA, Hon. Jong-pil Kim, chairman of the Democratic Republican Party, ROK and Gen. Il-kwon Chung, Prime Minister of the ROK Government, to initiate construction of a museum that will be a show place in the great international city of Seoul. This museum will be a symbol of the unified efforts of the free world and the valiant South Korean people in their determined fight to preserve freedom and democracy in Korea and the entire Far East.

THE IMPORTANCE OF LUMBER

Mr. McDADE. Mr. Speaker, I ask unanimous consent that the gentleman from Oregon [Mr. WYATT] 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 Pennsylvania?

There was no objection.

Mr. WYATT. Mr. Speaker, since our country's inception, lumber has been a most basic building material in virtually all commercial and home construction. In this century the Pacific Northwest has furnished a very substantial part of this lumber.

A most alarming development was brought to my attention yesterday. It appears that the office of the Surgeon General has proposed drastic changes in hospital construction regulations prohibiting use of wood. These proposed changes would be effective tomorrow.

This outrageous, high-handed action is almost beyond belief.

Lumber is an essential building material in nearly every commercial building. Modern techniques make possible wide uses of lumber not previously possible. Fireproofing of lumber can readily be accomplished.

Despite historic and well established use of lumber in hospital construction, the Surgeon General proposes to prohibit it hereafter.

The war in southeast Asia makes all forms of building materials more scarce. There probably is, however, less pressure on lumber than other forms of building materials, including steel.

The most alarming aspect of the proposed action is that a trend in this direction could well be established which could indeed seriously harm and even cripple our great lumber industry.

I ask that the Surgeon General at once, today, suspend his proposed changes until representatives of the forest industry can have a fair hearing before the Surgeon General.

ANOTHER BLOW TO FARMERS

Mr. McDADE. Mr. Speaker, I ask unanimous consent that the gentleman from Minnesota [Mr. NELSEN] 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 Pennsylvania?

There was no objection.

Mr. NELSEN. Mr. Speaker, Nick Kotz of Cowles Publications reported in the June 17 issue of the Minneapolis Tribune that the Defense Department is continuing its policy of buying certain beef and pork overseas rather than buying it here in this country. Personally, I view this decision, taken at the recommendation of Agriculture Secretary Freeman, as far more damaging to the American farmer than the 50 percent cutback in military prime pork purchases. Why is that? Because buying meat for our servicemen overseas from foreign sources rather than American farmers means a domestic livestock surplus is being permitted to build up. This can produce the same extreme livestock price depression that happened a couple years ago because of massive beef imports. This is another example of the administration's unswerving attempt to make the farmer the scapegoat for inflation.

I request inclusion of the Kotz article at this point in my remarks.

[From the Minneapolis Tribune, June 17, 1966]

FOREIGN MEAT BUYING BY UNITED STATES WILL CONTINUE

(By Nick Kotz)

WASHINGTON, D.C.—The Defense Department has ordered continued indefinitely an administration anti-inflationary policy to buy certain beef and pork overseas rather than to buy more expensive meat in the United States.

Thus the Defense Department is extending one part of a controversial purchasing order which was partially reversed after a month of farmer protests, a defense order reveals.

The Feb. 17 order, recommended by the Agriculture Department as part of a White House-directed anti-inflation campaign called for a 50 per cent reduction in prime pork purchases for six months. This section was reversed last month following farm protests.

The order also stated that pork and beef for post exchanges overseas should be purchased locally until Sept. 30 by Agriculture Department arranged barter agreements rather than imported from the U.S. Meat for general troop feeding would still come from the U.S.

Now, in a May 23 order to the Air Force, Assistant Secretary of Defense Paul Ignatius ordered the buy-abroad policy should "continue indefinitely."

(Senate urges *Administration to Stop Cutting Farm Prices—Page 49*).

The Minneapolis Tribune has obtained a copy of this order which was not released to the public.

Deputy Assistant Secretary of Defense Paul H. Riley, an assistant to Ignatius, said Wednesday that the indefinite continuance also will apply to the other armed services.

The barter arrangements are designed to keep the U.S. from losing dollars in these transactions.

In his order to the Air Force, Ignatius said foreign buying "is clearly in the best interests of the Department of Defense" so long as these purchases can be made at considerably less cost than in the U.S. and no dollars are spent.

The buy-abroad order was one of many measures which came out of the White House directed campaign to fight inflation.

In recommending the overseas purchases to Secretary of Defense Robert McNamara, Agriculture Secretary Freeman wrote:

"This (barter arrangement to secure beef and pork overseas) would relieve some domestic price pressure at a time when it may be most intense. We will review this regularly and advise you as to the desirability of continuing it."

Riley noted that the beef and pork purchases involved are relatively small compared to buying for the entire armed services.

A BILL TO PROVIDE FOR THE ESTABLISHMENT OF THE PLYMOUTH ROCK NATIONAL MEMORIAL

Mr. McDADE. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. KUPFERMAN] 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 Pennsylvania?

There was no objection.

Mr. KUPFERMAN. Mr. Speaker, man's search for freedom has been an endless effort. Much the same as the ripples from a rock tossed into the water, are the still continuing efforts by men in every area of the globe, to achieve total spiritual freedom.

We here in America today enjoy this individual freedom of religious expression as a stalwart birthright and heritage resulting from one of the most courageous and dauntless search parties ever to exist. They sought neither structures of marble nor spires of gold, but rather for an expanse of land and sky where they might unfold their love and devotion to their God, without man-made restrictions.

As is true in any search to obtain a goal or purpose, a well-chartered course with step-by-step progress is almost always the direct route to eventual success, and all the while maintaining the desire to reach that "far-vision" destination as the inspiration to "sail on" in spite of whatever adversity presents itself.

Mr. Speaker, such was the case with regard to the "search party" to which I now specifically refer. Dear to the hearts of Americans of all ages, is the memory of that valiant voyage of a little less than 350 years ago, made aboard the now famous *Mayflower* with Pilgrims who had set their sights for a new world. Upon sighting their new world land, and reaching that same shore, they "stepped" on the Plymouth Rock and into a new world where their religious beliefs could be fully expressed, each in his own way. The ripples of their great journey still flow through this free Nation, and so therefore, I feel it is vital to preserve a fitting and lasting yet simple monument at Plymouth Rock to which all who choose, may go in humble gratitude or recognition and, perhaps, come away with a renewed inspiration to continue and maintain this Nation's belief in complete and individual religious freedom.

Mr. Speaker, for this reason, I urge my colleagues to support my bill H.R. 15840, now being introduced for the establishment of a national memorial park at Plymouth Bay, Mass.

Although we know the deeds of the brave Pilgrims who in 1620 landed at Plymouth Rock, we have not yet, after almost 350 years, included the site of their landing in the National Park System.

Plymouth Rock should be a national memorial, and I am pleased to join my colleague, Senator EDWARD M. KENNEDY, of Massachusetts, in sponsoring the establishment of the Plymouth Rock National Memorial. His bill S. 3477 and mine are the same.

The bill follows:

H.R. 15840

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purpose of commemorating the landing of the Pilgrims in the New World at Plymouth Bay, Massachusetts, in 1620, the Secretary of the Interior may acquire by gift, purchase with donated or appropriated funds, exchange, or otherwise, not to exceed fifteen acres of land (together with any buildings or other improvements thereon), and interests in land at Plymouth Harbor in the town of Plymouth, Massachusetts, for the purpose of establishing thereon a national memorial: *Provided,* That property owned by the Commonwealth of Massachusetts may be acquired only with the consent of the owner.

SEC. 2. The property acquired pursuant to the first section of this Act shall be established as the Plymouth Rock National Memorial, and shall be administered by the Secretary of the Interior subject to the provisions of the Act entitled "An Act to establish a National Park Service, and for other purposes," approved August 25, 1916 (39 Stat. 535), as amended and supplemented, and the Act entitled "An Act to provide for the preservation of historic American sites, buildings, objects, and antiquities of national significance, and for other purposes," approved August 21, 1935 (49 Stat. 666).

SEC. 3. There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

INTRODUCTION OF LEGISLATION REQUIRING AUTHORIZATIONS FOR APPROPRIATIONS

Mr. McDADE. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. MAILLIARD] 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 Pennsylvania?

There was no objection.

Mr. MAILLIARD. Mr. Speaker, over the past several months, our Committee on Merchant Marine and Fisheries has been conducting a series of hearings on "Vietnam—Shipping Policy Review" in an examination of the current plight of the American maritime industry.

During the course of these hearings, several witnesses have suggested that our Committee on Merchant Marine and Fisheries review and authorize budget requests of the Maritime Administration before such requests are processed by our Committee on Appropriations. Such a procedure would enable our Committee on Merchant Marine and Fisheries to express its views and make appropriate recommendations concerning these budget requests.

Experience has indicated that the absence of a requirement for a legislative review of the Maritime Administration's programs, particularly in the field of vessel construction, limits the Congress in its scope of its understanding and appreciation of the need for on-going and progressive programs to meet the needs of the American merchant marine. This is particularly important at the present time in light of events in southeast Asia and in the foreseeable future when the American merchant marine again may be called upon to meet the security requirements of the United States.

By requiring legislative review and authorization prior to appropriation for the various Maritime Administration promotional programs on an annual basis, I firmly believe that a genuine service can be rendered to both the Congress and the Maritime Administration in evaluating and implementing such programs. It also would be beneficial in overcoming a serious present lack of responsiveness to the needs of the American merchant marine.

Three years ago to meet a similar need Public Law 88–45 was enacted requiring authorization for certain appropriations for the Coast Guard. Since that time our committee's experience has been that assertion of such congressional control has proven to be beneficial for the Congress, the U.S. Coast Guard, and ultimately our national interest by enhancing the preparedness of the Coast Guard to discharge its missions.

Accordingly, I am today introducing a bill to amend title IX of the Merchant Marine Act, 1936, as amended, so as to require that appropriations to carry out the provisions of that act be preceded by specific legislative authorization and thereby strengthen congressional control over promotional efforts designed to assist the American merchant marine.

COMMUNIST TREACHERY

Mr. McDADE. 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 Pennsylvania?

There was no objection.

Mr. DERWINSKI. Mr. Speaker, one of the world leaders who has had first-hand experience with the treachery of Communists is Mr. Stanislaw Mikolajczyk, whose experience in the postwar government of Poland which was insidiously distorted by Communists qualifies him to speak on many vital questions, including Communist and coalition governments. Mr. Mikolajczyk is still an active leader in the free world, working zealously toward the day when Poland can benefit from a government based on the wishes of its people. On May 29, 1966, in his capacity as President of the Polish Peasant Party, Mr. Mikolajczyk addressed the annual meeting of that group in Chicago, Ill., and I ask leave to include as part of my remarks his speech.

ADDRESS BY MR. STANISLAW MIKOLAJCZYK, PRESIDENT OF THE POLISH PEASANT PARTY, BROADCAST BY RADIO FREE EUROPE TO POLAND ON THE OCCASION OF THE PEASANT FESTIVAL, MAY 29, 1966

Members of the Polish Peasant Party, Dear Countrymen, Dear Friends, Dear Youth, Women of the Polish Village, Brothers and Sisters!

The Peasant Festival in Poland was always a fine day. Throughout Poland the green banners adorned with the images of God's Mother and golden ears of wheat and clovers flocked to churches to take part later in the celebrations of the Peasant Festival.

Joy filled the hearts of the peasant masses. Despite want and distress, new hopes entered human hearts under the breath of spring awakening nature to a new life. The peasant huts beautifully decorated with bundles of sweetflag and the fragrance of flowers spreading from the meadows and green fields added splendor to the Peasant Festival. I am speaking therefore to you on Radio Free Europe with joy because, at least once a year I am able to share with you my thoughts and feelings on this day of the Peasant Festival which the communists have stolen from you in Poland, so as not to allow you free and uncontrolled celebrations of the Festival.

This year, we celebrate an uncommon and rare occasion—a Millennium of Christian Poland. A millennium is a very long period of time. Many generations have passed. Our nation has lived through great victories and disasters, ascents and falls, pride and shame, dignity and baseness, joy and suffering, hopes and despairs. Thus, the centuries have formed and shaped our national character and our national spirit within the framework of Christian principles and ideology.

The reception of Christianity by Poland was a very wise move on the part of Mieszko I. It protected Poland from extermination by Germany and brought her on the road of progress of civilization, in which the Church played a large role. Today, a thousand years later, the Church in Poland is a constant and important influence in the shaping of moral and ethical values in the life of our nation and state. The national and religious traditions are deeply rooted in the soul of the Polish nation. These traditions which the Church has developed and fostered through centuries have permitted the Polish nation to endure many national disasters, bondage, and persecutions by the conquerors and usurpers. Thanks to these traditions the Polish nation has existed and developed. Thanks to these traditions the oppressors succeeded only in consolidating in the Polish people their national consciousness and determination to endure. They attached the Polish nation even more strongly to the Church and the Church to the nation. The year 966 found Poland with organized foundations of the Polish state. The newest historical research indicates that the first forms of the Polish state were created a few centuries earlier. In this year, therefore, 1966 we celebrate a Millennium of Christian Poland, and not a thousand years of the Polish State as the Polish communists proclaim in their propaganda for party purposes. The organizing by the communists of rival celebrations of the thousandth anniversary of the Polish state shows besides stupidity, a tendentious communist malice, infatuation, and party passion arising out of hatred of the Church. It is dictated by the fear for the future of communism.

On Moscow's orders, the letter of the Polish Episcopate to the Episcopate of Germany was a pretext for undermining the solemn character of these celebrations. It was designed to prevent the participation of the Holy Father, Paul VI as well as numerous foreign guests, cardinals, bishops, priests, journalists, radio and television reporters and Poles from abroad.

We know these communist methods only too well from the period of the political struggle of the Polish Peasant Party against the communists in the years 1945–47. Nothing has changed since that time not even the chief director of the aping act, Gomulka himself. Just as then, the Security Police, Citizens Militia, Voluntary Militia Reserves, the soldiers with fixed bayonets are led into the streets. Just as then, rival meetings are organized. Party activists are gathered from around the whole country to form a "crowd" for the communist speaker. Just as then, people are slandered and maligned so as to prevent from speaking out those forces in the nation which enjoy its respect and support. Just as then, blackmail and intimidation are used against those who take part in the meetings and festivities. Just as then, trains do not run on the days of the meetings, buses are not available, roads are being repaired although road repairs could wait. Just as then, noisy demonstrations are organized, loud speakers are going full blast to drown out the solemn "Te Deum", and the sermons and prayers of the faithful. Just as then, planes and trucks make noise and tanks are kept ready in the event of a crowd reaction. Nothing has changed since the period of 1944–47. Today, Cardinal Wyszynski and the Polish Episcopate are accused of betrayal of national and state interests and of disturbing peace and public order, just as I was accused at that time.

The Polish nation will not forget these harassments. It will not forget who bears the responsibility for degrading the dignity of Poland and pride of the Polish nation. It will not forget who has done harm to its interest on the international arena, who has caused it incalculable moral and material damages. No! The Polish nation cannot forget it and will not forget it, because the celebration of the Millennium of Christianity and the possibility of taking advantage of it for the prestige of Poland occurs once in a thousand years.

After the terrible suffering from the hands of the Hitlerite thugs who have murdered large numbers of the clergy, teachers and intelligentsia and millions of Polish citizens, the Polish nation had the right to expect a peaceful and solemn character of the Millennium of Christianity, which has saved Poland from extermination by Germany and the Polish nation from denationalization. After these tortures the Polish nation had the right to expect that the state authorities who call themselves representatives of this nation and supposedly hold the power by the people's will, although hostile to the Church, would take advantage of this great anniversary to increase the prestige of Poland on the international arena. It had the right to expect that they would respect the feelings of the people and would participate in these celebrations at least appearing as its friends and not as its enemies and destroyers.

Where is the dignity and earnestness of the state? Where is their sense as rulers and their political wisdom as statesmen?

It is not Cardinal Wyszynski and the Polish Episcopate who betrayed the interests of the Polish nation. It is the communists who betrayed them. By their party infatuation and furious attack on Cardinal Wyszynski and the Polish Episcopate they showed the world opinion that there is no unanimity in the Polish nation on such fundamental problems as the Polish frontiers on the Oder and Neisse rivers. It is the communists who, being motivated by the narrow party interest, preferred to provide fodder for the German revisionist propaganda, rather than agree to the international character of the celebrations of the Millennium of Christian Poland.

It is not the first and certainly not the last act detrimental to the interests of Poland on the international arena committed by the communist regime. By their loyalty to the interests of Moscow the Polish communists headed by Gomulka arrive at a ridiculous absurdity. Lately having the interest of Moscow at heart the fact was concealed that on his way to the Communist Party Congress in Moscow Gomulka could not land at Moscow. The fact was concealed that Gomulka landed instead at Leningrad and proceeded from there by train to report to Brezniew and Kosygin. For what purpose? After all something may always go wrong with transportation.

In 1960 before the departure to the session of the United Nations in New York, Gomulka announced that he had to go to the meeting to help Khrushchev defend the Polish frontier on the Oder and Neisse rivers. And as you know Khrushchev banged with his shoes against the table but did not touch the problem of the frontier on the Oder and Neisse rivers. And he told Gomulka to remain silent. On the other hand, when Cardinal Wyszynski and the Polish Episcopate brought up the problem of the frontier on the Oder and Neisse rivers and achieved positive results from the public opinion abroad, Gomulka is infuriated because he does not want the resolution of this problem for reasons known only to Moscow.

The communists in Poland also concealed the fact that it was Gomulka's representative, Mr. Lewandowski who proposed in the United Nations the resolution to admit Mr. Ulbrecht, the leader of communist Germany as a full member of that organization.

Gomulka will not conceal his errors and the harm he has done to Poland by his prohibition to carry the picture of Our Lady of Czestochowa into Gniezno, Poznan and other places. Neither will he lessen them by his furious attack on Cardinal Wyszynski and the Polish Episcopate.

Certain changes occur in the evaluation of the importance of the Church in the life of nations even at the Kremlin. Whenever the importance of the Church was brought to Stalin's attention he used to ask: "How many army divisions does the Pope have?" and disregarded the influence of the church. However, recently Gromyko had an audience with the Pope for almost an hour. Does it mean that Moscow now recognized its error and will change its attitude toward the Church? Will Gomulka now cease his attacks on the Church?

My people of Christian Poland wherever fate has thrown you and no matter how bitter is your life and no matter to what work bench are you chained or will be chained in the future—do not be led astray by the communist hypocrites. Always try to learn the truth at its source and not from the lying communist propaganda. Persevere at the side of your leaders, who fight for the freedom of Poland in difficult and dangerous conditions. Fight, until you achieve results, for your rights and the rights of the whole nation to manage your own country. These rights are yours not by the grace of one or another satrap but because of your service for Poland and because of your centuries long suffering and humiliation. Who else preserved Poland in its heart as the Polish people did despite the contempt of the mighty and the treason of the vile. Who else remains its buckler in the present hard struggle.

Those who today debase Poland will depart. The faithful peoples will remain and Poland will remain. Because, as the Polish proverb says, "a monastery will outlast its prior." They will depart like a plague. They will disappear under a cover of contempt and oblivion. A free Poland will rise and a free people will undertake to build a just motherland for all her children. And in such a Poland the people will create the "Government of the people, by the people and for the people" as Abraham Lincoln did for the American people. Happiness and joy will return to our country. The nightmare of communist tyranny will disappear

and man will again become man's brother. The Green Banners with Our Lady of Czestochowa on them, which today are not permitted to add splendor to the celebrations of the Millennium of Christian Poland, will again flutter over the Polish soil. The hardened hands of the peasants will then lower the banners before those who risking their lives fought with dignity for their rights to freedom and justice.

Hold out! Hardened and experienced in this struggle do not be provoked to acts inconsiderate and dangerous for Poland.

On the day of our Peasant Festival, in the year of the Millennium of Christian Poland we are sending to you, Dear Countrymen, to the Polish clergy headed by Cardinal Wyszynski, to you Peasant Brothers and to the Poles abroad, our best greetings and assurances that we will not abandon our common struggle for a free and just Poland. We will seek strength for continued struggle and inspiration among those in Poland who in such difficult conditions consider the conduct of this struggle as their national duty.

In addition, Mr. Speaker, the Polish Peasant Party cooperates with other free world groups and has been especially effective in dramatizing the suffering of the Polish peasants under the misrule which the farmworkers in Poland endure at the present time. I insert in the RECORD as a continuation of my remarks the resolutions adopted at the annual meeting of the Polish Peasant Party.

RESOLUTION ADOPTED AT THE POLISH PEASANT DAY HELD IN CHICAGO ON MAY 28, 1966

The assembled at the Peasant Day Festival in Chicago:

1. Join spiritually with the Polish nation in celebration of Poland's Millennium of Christianity, send heartfelt greetings to the Polish nation and pay it homage for its patriotic stand in defense of principles of Christianity and freedom;

2. Send expressions of deepest reverence, fidelity and gratitude to His Eminence Stefan Cardinal Wyszynski, the Polish Episcopate and the Clergy for their defense of the faith of our fathers moral rights and world outlooks constituting the essence of the Polish and the Western culture, as well as for their devotion to the Polish nation and services to Poland;

3. Raise the strongest protest against nonadmission of the Holy Father to Poland, taking away of passport from Stefan Cardinal Wyszynski, nonadmission of pilgrimages from abroad to Czestochowa, as well as against hindering the Polish nation from peaceful celebrations of Poland's Millennium of Christianity;

4. Raise a protest against persecution of religion and the Catholic Church in Poland;

5. Raise a protest, on the tenth anniversary of the Poznan Uprising, against abridging, in every field, of the minimal civil liberties, achieved by the Polish nation in 1956, and against restoration of the Stalinist system;

6. Raise a protest against the attempts of the regime at introduction of a complete collectivization of agriculture;

7. Condemn Gomulka's regime for its harming the interests and the good name of Poland abroad;

The assembly demands in particular:

a. Stopping of harassments and allowing of peaceful celebration of Poland's Millennium of Christianity to the Polish nation.

b. Restoration of freedom of speech and assembly in Poland.

c. Repatriation of all the Poles from the Soviet Union.

d. Release of all political prisoners.

e. Withdrawal of the Soviet army and the Soviet emissaries from Poland.

f. Restoration of freedom, democracy and full sovereignty to Poland.

g. Bringing the question of Poland and other nations, subjugated by the Soviet Union, to the attention of the United Nations and enabling those nations to express freely their will in free elections held under international control.

h. Recognition by the Government of the United States of the equitable and just border on the Oder and Neisse line.

i. Appeal to the American Polonia for a mass protest against persecution of religion in Poland, against taking away of passport from Cardinal Wyszynski and against hindering the Polish nation from celebrating freely Poland's Millennium of Christianity.

Mr. Speaker, I believe that our State Department authorities have, ever since the close of World War II, continually gone too far in appeasing the Communist dictatorships of Eastern Europe. It is obvious that the true voice of the people of Poland and the other Iron Curtain countries is reflected far more clearly by the statement and resolutions I have just included with my remarks than it is by the propaganda of the government in Warsaw.

DISCRIMINATION AGAINST WOMEN IN THE SELECTION OF STATE AND FEDERAL JURIES

Mr. McDADE. Mr. Speaker, I ask unanimous consent that the gentlewoman from New Jersey [Mrs. DWYER] may extend her remarks at this point in the RECORD and include extraneous matter.

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

There was no objection.

Mrs. DWYER. Mr. Speaker, I believe it is axiomatic that discrimination in the selection of a jury undermines the very foundation of democracy in the administration of justice, whether such discrimination is based on race, economic class, political affiliation, or sex.

In his state of the Union message to Congress on January 12, 1966, the President took notice of this fact and assured us that he would "propose legislation to establish unavoidable requirements for nondiscriminatory jury selection in Federal and State courts."

The great majority of our colleagues in the Congress, I feel certain, agree with this objective and welcomed the President's assurance. On February 25, a bipartisan group of our women colleagues joined me in writing to the President and the Attorney General to urge them to include in the administration bill then being drafted provisions which would preclude, in both State and Federal courts, any discrimination in jury service based on sex as well as on other irrelevant factors.

As we emphasized to the President at that time:

> We, as Members of Congress, believe that this Nation has for too long tolerated the wholly arbitrary discrimination against women's participation in the jury system.

We pointed out that, although women are now eligible to serve on all Federal juries by virtue of the Civil Rights Act of 1957, the procedures still being used in many of the Federal district courts have failed to give full effect to the statutory purpose. And we noted that the situation is much worse in State courts where only 21 States—the number is now 22—apply the law equally to men and women. The remaining 28 States and the District of Columbia, we wrote, permit varying degrees of discrimination which effectively discourage or totally exclude women from serving on both grand and petit juries.

Finally, we expressed the conviction that legislation to eliminate discrimination in jury service in State as well as Federal courts is fully authorized under section 5 of the 14th amendment and that a bill banning such discrimination based on sex would be in accord with the principles embodied in the Equal Pay Act of 1963 and title VII of the Civil Rights Act of 1964 guaranteeing equal treatment for women in employment.

In brief, Mr. Speaker, we believed then as we do now that women also deserve equal treatment in the exercise of their civic responsibilities, one of the most important of which involves service as jurors in the administration of justice in civil and criminal controversies.

On March 1, I addressed the House on this subject, informing our colleagues of the action we had taken, and including for the information of the House the texts of our letters to the President and the Attorney General and a detailed memorandum describing the current status of the problem.

On April 28, the President sent his civil rights bill to Congress and with it a message in which, discussing the need to deal with discrimination in jury selection, he said:

> It is not only the excluded group that suffers. Courts are denied the justice that flows from impartial juries selected from a cross section of the community.

This is precisely our point, Mr. Speaker. Women constitute a cross section of one-half of the adult community. The jury system will not be representative, or nondiscriminatory, unless and until no distinction is made between men and women with respect to jury service.

For this reason, we have viewed with great disappointment the provisions of the Administration's civil rights bill which concern the problem of discrimination based on sex in jury selection. The bill now pending before the Judiciary Committees of both the House and the Senate would deal only with the outright exclusion of women from juries in three States: Alabama, Mississippi, and South Carolina. The bill would not affect the variety of sex distinctions in jury service now permitted by the laws of 25 other States and the District of Columbia.

For example, in 13 States and the District of Columbia, women can be excused from jury service solely because of their sex. Men, obviously, cannot. In three States, women—but not men—must register with the clerk of the court in order to serve. In eight others, women—but not men—are exempt if they have family or child-care responsibilities. Two States permit women to serve only

where courthouse facilities exist, and two States exempt women in cases involving certain crimes. In both these situations, men are not similarly treated.

These sex distinctions, Mr. Speaker, undermine women's sense of civic responsibility. They introduce totally unwarranted distortions in the selection of a jury so that it fails to be a cross section of the community.

We are not unaware, obviously, that there are many valid reasons for exempting citizens from service on juries. Some of these reasons tend to be associated more frequently with women than with men, but it is the reason itself that should provide the exemption, not the sex of the person involved. Exemptions from jury service—including exemptions for the reason of family and child-care responsibilities—should apply to both men and women. And this should be true in all States, not just 22.

Once again, therefore, we have written to the President, this time indicating our disappointment in the inappropriate language of the jury selection provisions in the Administration's civil rights bill, explaining why we believe these provisions will be inadequate to the President's own stated objective of eliminating discrimination, and proposing an amendment which we believe will meet the need.

Joining me on this occasion were the following distinguished colleagues: the senior Senator from Maine [Mrs. SMITH], the gentlewoman from Ohio [Mrs. BOLTON], the gentlewoman from Michigan [Mrs. GRIFFITHS], the gentlewoman from Washington [Mrs. MAY], the gentlewoman from Washington [Mrs. HANSEN], and the gentlewoman from Hawaii [Mrs. MINK].

Our objection, Mr. Speaker, is to the very restricted language of section 201 of the administration bill. It provides:

> No person or class of persons shall be denied the right to serve on grand and petit juries in any State court on account of race, religion, sex, national origin, or economic status.

Since this language merely forbids a denial of "the right to serve," and does not touch the variety of lesser but more widespread forms of discrimination, we have proposed the following substitute provision:

> It shall be unlawful to make any distinction on account of race, color, religion, sex, national origin, or economic status, in the qualifications for service, and in the selection of any person to serve, on grand or petit juries in any State court.

We have also suggested that a similar change should be made in the language of that part of section 101 of the bill which would amend 18 U.S.C. 1862. The changes we recommend will bring this aspect of the proposed Civil Rights Act of 1966 into accord with the policy against sex distinctions which is already expressed in section 703 of the Civil Rights Act of 1964 and section 3 of the Equal Pay Act of 1963.

I am pleased to note, Mr. Speaker, that the language of our proposed amendment has been strongly endorsed by many groups and individuals including, for example, the National Federation of Business and Professional Women's Clubs and the Women's Bar Association of the District of Columbia.

It is especially timely to note, too, that next week 49 State commissions associated with the President's Commission on the Status of Women will be meeting here in Washington to consider the progress that has been made in many areas of concern to women as citizens. It should be recalled, therefore, that in its final report the President's Commission urged that attention be given "to assuring equal jury service without distinction as to sex. Women and men alike should assume their responsibilities for making juries representative of the communities in which they live."

We wholeheartedly agree, Mr. Speaker, and we hope that our colleagues in both Houses of Congress, including those who serve on the two Committees on the Judiciary to whom we sent copies of our letter to the President, will consider our amendment and give it their support.

For the information of our colleagues, Mr. Speaker, I include as a part of my remarks the letter we addressed to the President, the text of a resolution adopted by the Women's Bar Association of the District of Columbia, and a letter from the national legislation chairman of the National Federation of Business and Professional Women's Clubs.

The letters and resolution follow:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C.

THE PRESIDENT,
Washington, D.C.

DEAR MR. PRESIDENT: Your state of the Union message of January 12, 1966, promised to "propose legislation to establish unavoidable requirements for nondiscriminatory jury selection in Federal and State courts."

As Members of Congress, we welcomed your message, and on February 25, 1966, we asked you, and the Attorney General, to include provisions in your sponsored bill to "preclude, in both State and Federal courts, any discrimination in jury service on the basis of sex, as well as other irrelevant factors such as race, color, political or religious affiliation, or economic or social status." We strongly believe that the arbitrary discrimination in the jury system on the basis of sex is wholly unjustified and must be eliminated.

However, we regret to note that because of inappropriate language the Civil Rights bill which you sent to the Congress on April 28 will fail to accomplish your goal and ours: "to establish unavoidable requirements for nondiscriminatory jury selection."

We therefore respectfully request, and urge, that you support the amendment which we here propose to rectify the unduly limited language now in the bill.

Discrimination in the selection of a jury undermines the very foundation of a democracy in the administration of justice, whether such discrimination is based on race, economic or social class, political or religious affiliation, or sex. Where such discrimination occurs, as your message of April 28 to Congress so clearly says: "It is not only the excluded group that suffers. Courts are denied the justice that flows from impartial juries selected from a cross section of the community.

Women constitute a cross section of one half of the adult community. The jury system will not be representative, or nondiscriminatory, unless and until no distinction is made between men and women with respect to jury service.

Although the Civil Rights Act of 1957 made women eligible to serve on all Federal juries, the procedures still being used in many of the Federal district courts continue to undermine the statutory purpose.

The situation is much worse in State courts. Only 22 States have laws that put men and women on an equal footing with regard to jury service. The other 28 States and the District of Columbia make various distinctions on the basis of sex alone which result in distorted and unrepresentative juries, as follows:

A. Three States—Alabama, Mississippi and South Carolina—totally exclude women from juries.

B. Twenty-five States and the District of Columbia provide different treatment for men and women with regard to jury service, as follows:

1. Three States—Florida, Louisiana and New Hampshire—permit women to serve on juries only if they first register with the clerk of the court. These States have no similar law with respect to men. (In addition, a jury in a condemnation case in Florida must be composed only of men.)

2. Fourteen jurisdictions excuse women from jury service solely because of their sex, namely, Arkansas, District of Columbia, Georgia, Kansas, Maryland (in 4 of 23 counties), Minnesota, Missouri, Nevada, New York, North Dakota, Rhode Island, Tennessee, Virginia, and Washington.

3. Eight States exempt women (but not men) if they have family and child care responsibilities. These are Connecticut, Massachusetts, Nebraska, North Carolina, Oklahoma, Texas, Utah, and Wyoming.

4. Two States allow women to serve on juries only where courthouse facilities permit: Rhode Island and Nebraska.

5. Two States specifically exempt women from jury service in cases involving certain crimes: Massachusetts and Nebraska.

In the light of these facts, let us look at the specific language of section 201 of your proposed bill. It provides:

"No person or class of persons shall be denied the right to serve on grand and petit juries in any State court on account of race, religion, sex, national origin, or economic status."

This language would clearly change the laws in Alabama, Mississippi, and South Carolina which totally exclude women from jury service. However, it would not invalidate the laws of the other 25 jurisdictions which make sex distinctions in jury service. In these 25 jurisdictions women have a "right to serve" on the jury, and section 201 merely forbids a denial of "the right to serve."

The sex distinctions now drawn in these 25 jurisdictions result in great evil. They are used in many locations to discourage women from serving on a jury. Frequently, women ask to be excused because they are disturbed by gratuitous suggestions about the inconvenience of jury service, the uncertainty of time required, the unwholesomeness of the surroundings, or the distasteful facts to be heard in some cases. These sex distinctions undermine women's sense of civic responsibility. They introduce totally unwarranted distortions in the selection of a jury so that it fails to be a cross section of the community.

The recent Federal court decision (White v. Crook, Feb. 7, 1966), holding the Alabama law unconstitutional did not help very much, because the court's decision allowed the State until June 1, 1967, to set up a new system which could include such factors as "whether service is to be compulsory or voluntary and the availability of physical facilities." If Alabama, Mississippi and South Carolina, which now exclude women, follow the example of the 25 other jurisdictions, allowing women to serve, but not on the same basis as men, the Civil Rights bill will have

very little practical effect on eliminating sex discrimination in the selection of State juries.

Unless the Civil Rights bill tackles the problem of sex distinction in jury service, rather than merely the denial of the "right to serve", the bill will not "establish unavoidable requirements for nondiscriminatory jury selection" as promised in your State of the Union Message of January 12.

Although further litigation might bring further progress in ending discrimination between men and women in jury service (for example, whether the absence of physical facilities in a courthouse causes a denial to women of the right to serve on juries on account of sex), litigation is a long and costly process, of uncertain outcome, and the results will vary from State to State.

We believe that there should be but one law relating to jury service, applicable equally to both men and women; not one law for men and another law for women. We believe that no one should be excused from jury service solely on the basis of sex. We believe that jury service by women should not depend on whether a State or county has installed physical facilities for women jurors in court houses. We believe jury service should not depend on whether women register specially to serve, or otherwise ask to be allowed to serve. We believe that making women eligible for jury service on the same basis as men will not drag the mother away from her home-making and child-care duties. The existence of such responsibilities, which is a proper functional basis for excuse from jury duty, should be a reason available to any citizen, not just women.

We agree with the position of the President's Commission on the Status of Women which urged: "Attention to assuring equal jury service without distinction as to sex. Women and men alike should assume their responsibilities for making juries representative of the communities in which they live." (*American Women*, 1963, pp. 46–47). We agree with the 1963 report of the Commission's Committee on Civil and Political Rights which stated (pp. 12–14):

"The Committee believes there is urgent need for State legislative reform with respect to jury service eligibility, exemption, and excuse in order to achieve equal jury service in the States. The removal of sex distinctions in State laws respecting jury service would not mean that women having the care of small children would be forced out of the home; it would mean only that eligibility for an exemption and excuse from jury service would be the same for either sex."

To help achieve our common goal of establishing "unavoidable requirements for nondiscriminatory jury selection in Federal and State courts," we shall recommend, and hope you will support, amending the language of section 201 to read as follows:

"It shall be unlawful to make any distinction on account of race, color, religion, sex, national origin, or economic status, in the qualifications for service, and in the selection of any person to serve, on grand or petit juries in any State court."

We suggest that a similar change should be made in the language of that part of section 101 of the bill that would amend 18 U.S.C. 1862. The changes we recommend will bring this aspect of the Civil Rights Bill of 1966 into accord with the policy against sex distinctions which is already in section 703 of the Civil Rights Act of 1964 (Public Law 88–352), and section 3 of the Equal Pay Act of 1963 (Public Law 88–38).

Respectfully yours,

RESOLUTION ADOPTED BY THE WOMEN'S BAR ASSOCIATION OF THE DISTRICT OF COLUMBIA ON MAY 24, 1966

Whereas equality of rights under the law for all persons, male or female, is basic to democracy and its commitment to the ultimate value of the individual and should be clearly reflected in the law of the United States; and

Whereas the United States is signatory to the Charter of the United Nations which reaffirms faith in fundamental human rights, in the dignity and worth of the human person, in the *equal rights of men and women* and of nations large and small; and

Whereas the laws of three states deny the right to serve on state juries to any woman; the laws of another three or more states exclude women unless they take some affirmative steps to assert their desire to serve, steps not required of men; while the laws of 15 states exempt women from jury duty on the sole ground of being female, without other reason, and the tendency of public officials in many such jurisdictions is to encourage women to avoid jury service, thus circumventing the fundamental concept of the jury as cross-sectional and democratic and of special and local competence to judge; and

Whereas there are now pending before the Congress a number of bills involving civil rights and specifically involving jury service, including H.R. 14765 and S. 3296 (introduced April 28, 1966), which latter embrace the draft prepared by the Attorney General of the United States and sponsored by the administration; and

Whereas, Sec. 201 thereof, as submitted, would eliminate *all* discriminations relating to men serving on juries, but would perpetuate a distinction based on individually, have repeatedly urged that jury service be uniform for men and women citizens, and have voiced the desire and readiness to assume this duty of full citizenship, unhampered by the circumstance of their sex; and

Whereas the report of the President's Commission on the Status of Women recommended the elimination of these discriminations so as to assure "equal jury service without distinction as to sex" (*American Women*, 1963, pp. 46–47); and

Whereas numerous State Commissions on the Status of Women, organized within the last three years, have likewise called for eliminating sex discrimination and opening the doors to women for the discharge of this civic duty on the same basis as for men; and

Whereas there is no logical basis for continuing the single discrimination against women in jury service on state juries while banning all other forms of discrimination; Now, therefore, be it

Resolved by the members of the Women's Bar Association of the District of Columbia, in annual meeting on May 24, 1966, That the President of the United States, the Attorney General of the United States, and the members of Congress be urged to amend the pending legislation so as to insure that the qualifications and selection of women citizens for jury service be on the same basis as for men citizens; and be it further

Resolved, That the following substitute language be advanced and advocated as appropriate, as an amendment to accomplish this purpose:

"SEC. 201. It shall be unlawful to make any distinction on account of race, color, religion, sex, national origin or economic status, in the qualifications for service, and in the selection of any person to serve on grand or petit juries in any state court."

THE NATIONAL FEDERATION OF BUSINESS AND PROFESSIONAL WOMEN'S CLUBS, INC., OF THE UNITED STATES OF AMERICA,
Washington, D.C., June 1, 1966.

Hon. FLORENCE P. DWYER,
House Office Building,
Washington, D.C.

DEAR FLO: Thank you for your letter of May 24th enclosing an additional copy of H.R. 14765. This legislation is of extreme interest to our Federation. As you know, one of the planks in our National Legislative Platform provides for "Uniform Jury Service for Men and Women."

There are nineteen states in which women may be exempt from State Jury Duty solely on the ground of their sex. This inequality should be eliminated as it prevents women from becoming full citizens in these states.

I have been in contact with Marguerite Rawalt, one of our Past National Presidents in Washington, D.C., and she advises me that the following amendatory language has been suggested to Hon. John Doar, Assistant Attorney General, Civil Rights Division, as effective to bring about equality of right and duty between men and women:

"SEC. 201. It shall be unlawful to make any distinction on account of race, color, religion, sex, national origin or economic status, in the qualifications for service, and in the selection of any person to serve on grand or petit juries in any state court."

In the event that you agree that the above would eliminate discrimination based on sex in the qualification for service and in the selection of State grand and petit juries, would you take whatever steps are necessary to substitute the above clause for the present Section 201, Title II, of H.R. 14765?

We now number over 176,000 business and professional women throughout the United States, all of whom are anxiously looking forward to Uniform Jury Service for Men and Women.

I will deeply appreciate your favorable consideration of this matter and I will look forward to hearing from you.

As soon as I hear from you I intend to contact our clubs throughout the United States again urging them to have their members to contact the proper persons in an endeavor to obtain uniform Jury Service at this time.

Thanking you for your continued valuable assistance, I am,

Sincerely yours,

EMMA C. MCGALL,
National Legislation Chairman.
WESTFIELD, N.J.

POLL WATCHERS FEAR INTIMIDATION

Mr. McDADE. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. REID] 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 Pennsylvania?

There was no objection.

Mr. REID of New York. Mr. Speaker, I have introduced an amendment to the President's Civil Rights Act of 1966 which would make explicit that interference with or intimidation of any poll watcher, candidate for office, or other person participating in any general, special or primary election constitutes a Federal crime and is punishable in accordance with Federal criminal procedures.

Two weeks ago, I traveled to Mississippi as part of a bipartisan congressional delegation to underscore Federal concern with both the tragic shooting of James Meredith and the conduct of the Mississippi primary elections under the new Voting Rights Act. Although the Voting Rights Act is beginning to work, I heard firsthand reports of the real concern and even fear many persons still have regarding the electoral process. Mississippians who had served as poll watchers in prior elections refused to

serve in the recent primaries—as a result of their concern over direct or indirect intimidation.

Mr. Speaker, the House Committee on the Judiciary is presently considering the civil rights legislation in executive session, and I hope that this amendment explicitly concerned with the electoral process, poll watchers, and candidates for public office is adopted by the committee before the bill is reported to the floor.

UNEMPLOYMENT COMPENSATION BILL REPRESENTS VICTORY FOR COMMONSENSE AND FAIRPLAY

Mr. McDADE. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. ASHBROOK] 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 Pennsylvania?

There was no objection.

Mr. ASHBROOK. Mr. Speaker, today we have witnessed one of the most successful efforts of this Congress in cutting down a preposterous administration proposal and enacting in its place an unemployment compensation bill which is totally consistent with Federal-State relations in this field and humanitarian goals. The Republican members of Ways and Means Committee are deserving of particular commendation for the leadership they gave in defeating H.R. 8282 which would have adopted the most socialistic unemployment bill ever envisioned. It was, in fact, little more than Walter Reuther guaranteed annual wage through the back door.

The bill we voted on today preserves the highly successful system of autonomous State programs of unemployment insurance. It rejects the devastating proposals encompassed in H.R. 8282 which became a symbol of this administration's socialistic plans. Some of the provisons covered in H.R. 8282 which have been relegated to the scrap heap are as follows:

First. The imposition of Federal benefit standards, both with respect to amount and duration.

Second. The restriction of disqualification to cases of fraudulent unemployment insurance claims, conviction for a work-connected crime, or labor disputes.

Third. The abandonment of the experience rating system as a basis for granting the credit against the Federal tax.

Fourth. The automatic granting of an additional 26 weeks of benefits irrespective of the state of the economy.

Fifth. The broad and indiscriminate extension of coverage to employers of one or more workers, nonprofit organizations and farmworkers.

Sixth. The increase in the taxable wage from $3,000 to $6,600 by 1971.

Particularly offensive, of course, was the effort to undermine the merit rating system that many States such as Ohio had found so successful in rewarding industries with low unemployment and giving an incentive to police the unemployment compensation system from malingerers. It would have struck a deathblow at the Federal-State concept and would have established a vehicle to bring about the treasured goal of COPE and the radicals in the labor movement who seek to pay a man as much when he is idle as when he is working. Let the Russians keep that philosophy, we in this country want none of it.

I have strongly opposed H.R. 8282 and was particularly apprehensive in giving the Federal bureaucrats any vehicle which they could develop into the full scale H.R. 8282 model they wanted. The bill we passed today, H.R. 15119, affords no such opportunity and I supported its passage. Some of the features of this bill are as follows:

First. Thirteen weeks of extended unemployment compensation is provided during periods of recession. This is a refinement and improvement of the unemployment benefit programs adopted by Congress in 1958 and in 1961.

Second. Coverage is extended to those workers who can be generally considered regularly employed and for whom there can be reasonable standards of availability for work. Thus, employers of one or more workers during 20 weeks of a calendar year, or employers who pay more than $1,500 in wages during a calendar quarter, are covered. Farm workers are not covered. Certain nonprofit organizations are covered if they employ four or more workers in any quarter, but coverage is restricted to clerical, custodial and maintenance workers. These workers are also covered in institutions of higher learning. The primary and secondary schools, however, remain exempt.

Third. Nonprofit organizations are given the option of participating as self-insurers. Under this option, a nonprofit organization will not be required to pay any part of the Federal tax and will be charged only with the amount of unemployment benefits actually paid to an unemployed worker of such organization.

Fourth. The wage base is increased from $3,000 to $3,900 beginning in 1969 and to $4,200 beginning in 1972.

Fifth. A judicial review of determinations by the Secretary of Labor with respect to qualifications of State plans is provided. Thus, for the first time, a State threatened with the loss of the tax credit as a result of an action on the part of the Secretary of Labor may appeal to the courts. This system of court review has been advocated for many years by Republican Members of Congress and the State administrators. It will enable the States to adapt their programs of unemployment insurance to meet the needs of their particular State.

Thus, in discarding the provisions of the Johnson-Humphrey administration proposal which was anointed by the labor bosses as "their bill," the House did a rare thing—it exercised its own independent judgment, something we have seen all too seldom in this rubberstamp 89th Congress. Under the provisions of H.R. 15119, the States are allowed to continue their right to establish benefit and eligibility standards without Federal control. The experience rating concept has been preserved. More important, the all-important judicial review concept has been included. All of this adds up to strengthening the State unemployment systems. It marks the rejection of the concept of ever more Federal controls and centralized dictation. We must not forget that those who offered it are merely defeated for the moment. If history means anything, they will be back with the whole package in the future and like medicare and other programs, sooner or later they will get them unless citizens stand up and be counted.

I could not help but get some solace from the unhappy statements of Secretary of Labor Wirtz and AFL–CIO boss George Meany. They for once did not get what they wanted and expressed great dissatisfaction with this bill. On my desk this morning was the UAW Washington Report, radical mouthpiece of Walter Reuther which grinds out antifree enterprise, anticonservative and prosocialistic trash every week. In their "Weekend Wrap Up" column, they opined:

> Chairman WILBUR MILLS, of House Ways and Means Committee, tried his level best to get federal standards for unemployment insurance through Congress—but state UC administrators posing as technical experts worked with antilabor employers to play political game against upping UC standards. Now scene switches to Senate Finance Committee, and private secretaries of big employers will again be writing those imposing letters which frequently frighten congressmen. If America's union members had stenographers write letters to Congress, mail count would show time is ripe to reform UC.

They may be unhappy but most Americans are not. Certainly not this speaker, certainly not those who are taxpayers rather than taxeaters. A victory, yes, but a mere skirmish. The war is yet to be fought and the fate of free enterprise yet to be determined. It is refreshing, however, to see a ray of light here and there. This has been one of the first in 2 years.

COMMUNIST SUBVERSION CONTINUES

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, one of the most unwarranted generalities which is heard frequently on campus and in high governmental circles is that the Soviet Union has matured and has given up its bad ways which should therefore usher in a new era of cooperation, negotiation and resultant world peace. To a person who is even passively observing, this is a patent falsehood. While there is every effort to downplay the continual subversive conduct of the Communists, their ardor to achieve their goal of global conquest has not abated and they still use their traditional tools—deception, subversion, criminal conspiracy. The only thing that is incredible in this case is the unexplicable gullibility of many Americans who through some rose colored glasses tend to view communism as a genuine, respectable political party.

The record of Communists and their efforts to penetrate U.S. Government agencies and every other segment of our society from education to labor unions to business is not necessary to recount at

this point. What I thought I might present, Mr. Speaker, is a capsule summary of what the Communist Party is doing now, in this decade. It is not necessary to recount the Alger Hiss story nor the sequence of events that led to the spy trials of Harry Gold, the Rosenbergs and others. What is going on now? I maintain that the same effort is proceeding as methodically as ever with a change here and there to better cover up, a little more polish and a different set of Communist Front organizations.

As the ranking minority member on the House Committee on Un-American Activities, I have a close connection with the effort to legislate a legal framework for our security laws to protect our American interest. For more than 20 years I have studied communism and believe that they are now ready to make their "great leap forward" in the United States, to borrow from the Chinese Communist dictator. Historically, the Communists stand condemned for their murder, treachery and global conspiracy. Most Americans know this. What most Americans overlook—and their Government, unfortunately, helps in this evasion of responsibility—is the Communist Party of the sixties is no different.

SUBVERSION IN THE SIXTIES

I will point out, for example, only those Americans who have been convicted of espionage since 1960 and the Communists who have been ordered out of our country as persona non grata. It first might be interesting to look at the record as far as our relations with the U.S.S.R. is concerned. Diplomatic recognition was formally granted to them after they piously promised to not use their embassies and official missions in the United States for any espionage or activity inimicable to the interests of this Nation. What a farce. A worse farce is that this administration in the consular treaty would extend even more privileges to the Soviets in face of the overwhelming evidence that they are using the United Nations, their embassies, their trade missions, their exchange programs and every form of contact with this country for their overall plans of espionage and subversion.

In 1933 in an exchange of letters between President Roosevelt and the Soviet Union regarding the establishment of diplomatic relations between the two countries, Maxim Litvinoff, People's Commissar for Foreign Affairs, U.S.S.R., stated in part that it would be the fixed policy of the Soviet Union "to refrain, and to restrain all persons in government service and all organizations of the Government or under its direct or indirect control, including organizations in receipt of any financial assistance from it, from any act overt or covert liable in any way whatsoever to injure the tranquility, prosperity, order, or security of the whole or any part of the United States, its territories or possessions, and, in particular, from any act tending to incite or encourage armed intervention, or any agitation or propaganda having as an aim, the violation of the territorial integrity of the United States, its territories or possessions, or the bringing about by force of a change in the political or social order of the whole or any part of the United States, its territories or possessions."

How well the Soviet Union has kept its word to "restrain all persons under its direct control from any act overt or covert liable in any way to injure the security of the whole or any part of the United States," can best be judged by J. Edgar Hoover's statement before a House Appropriations Subcommittee on March 4, 1965:

> A growing problem is the extent to which the Soviet intelligence services are dispatching undercover spies into the United States. These individuals have no ostensible connection with either the official Soviet establishments or personnel in this country nor do they make any overt contacts with their foreign espionage headquarters. They are well-trained, professional intelligence officers and usually bear assumed identities and are supplied with expertly fabricated documents and unlimited funds. They enter the United States without difficulty to become assimilated into our population and, unless uncovered, eventually serve as the nucleus of an extensive clandestine espionage network. Their detection among the more than 190 million people in this country is a counterintelligence problem of great magnitude.

So, instead of the Soviet Union mellowing as some so-called experts would have us believe, the fact of the matter is that the Soviets are really stepping up their drive to subvert our Nation by expanding their espionage network. The House Committee on Un-American Activities and other committees and agencies are well aware of this and we continue our vigil.

But information such as that above supplied by Mr. Hoover is certainly not the only basis for judging the sincerity or treachery of the Soviet Union. A review of the public record regarding Soviet or Soviet-bloc diplomatic or other personnel and their expulsions from the United States for espionage activities in recent years is a good indicator of how sincere they are in fulfilling Litvinoff's pledge of 1933. In addition, the number of Americans and non-Soviets convicted in the United States for conspiring to aid the Soviet Union should make us think twice about building wider bridges to the east.

SOVIET GUIDELINES REVEALING

In this age of guidelines, the record of Soviet and Soviet-bloc nationals expelled from this country plus the convictions of American citizens and foreign nationals for espionage activities in the United States provides an excellent guideline to determine the sincerity or treachery of the Soviet Union in its relations with our Nation. The record of Soviet espionage in the United States might well be likened to the case of John Doe coming upon his next-door neighbor, a known felon with a number of burgulary convictions, attempting to break into Doe's house in the dead of night. The first attempt might possibly have a plausible explanation, but if Doe apprehends the neighbor in a second, and a third, and a fourth attempt and Doe does not take corrective action, then John Doe needs to have his head examined.

Since 1933 Soviet and Soviet-bloc personnel have been apprehended repeatedly attempting through espionage to "break in" on American military, scientific and industrial secrets. In each case the diplomatic personnel involved are usually declared persona non grata and expelled from the country while nondiplomatic individuals are tried in the courts. But after the disposition of each case, the Soviet past record and policy of espionage and subversion is conveniently forgotten until the next case appears in the headlines. To make the case even more unbelievable, Soviet cases of espionage have occurred over the years in countries all over the world, and still we have in our Nation experts who are sold on bridge building, coexistence and friendly cooperation with the Soviets and the Soviet-bloc nations, with nary a reference to the Soviet campaign of espionage in the United States.

What is to be done?

Fortunately, the answer lies in part with the American people themselves. A Department of State publication, published in 1961, entitled, "How Foreign Policy Is Made," supplies part of the solution:

> We are a government "of the people, by the people, and for the people." This means that all decisions ultimately must pass the test of public acceptance. This also means that periodically the people avail themselves of their right to change the men through whom they govern themselves.

Herein resides the citizen's basic recourse—the power of the ballot box.

The above-mentioned publication further emphasizes this theme:

> This is an important fact in our foreign relations. It puts the world on notice that America is capable of continually revitalizing its leadership with fresh, new, and vigorous men, armed with a clear mandate from the people.

The surveillance and apprehension of those involved in espionage activities is the responsibility of the FBI, and except in those cases where individual citizens have properly relayed pertinent information to the Bureau, the citizen's experience in this area is very minimal. However, each voter should have a real and personal concern regarding the overall policy of the Soviet Union which directs clandestine activities in our land and the merit of U.S. policy with those Soviet and Soviet-bloc leaders who permit them. Furthermore, each citizen's appraisal of these policies should be a very important guideline in determining for himself the correctness or wrongness of our current foreign policy.

The following two listings should be helpful in providing background material on this issue. The first enumerates those Soviet nationals declared persona non grata or otherwise removed from their official assignments in the United States from July 1960 to January 1965. This is not necessarily the complete listing for this period of all Soviet nationals expelled from the United States, but only those involved in cases handled by the Justice Department.

The second listing comprises some cases of prosecutions for violations of espionage statues from 1960 to 1965:

SOVIET NATIONALS DECLARED PERSONA NON GRATA OR OTHERWISE REMOVED FROM THEIR OFFICIAL ASSIGNMENTS IN THE UNITED STATES FROM JULY 1960 TO JANUARY 1965*

Leonid Afanasievich Dovalev, 1960: Soviet National. Employee of United Nations Secretariat. Employed as translator at the United Nations Secretariat. Engaged in intelligence gathering activities. Requested to depart as PNG.

Igor Y. Melekh (Indicted), 1961; Melekh, a Soviet National, an employee of the United Nations Secretariat. He was arrested on October 27, 1960, after having been indicted by a Federal grand jury charging him with conspiring to violate the espionage laws of the United States. On March 24, 1961, Judge Edwin A. Robson of the Federal District Court in Chicago, Illinois, dismissed the case against Melekh pursuant to a request of the Attorney General, upon the condition that Melekh depart from the United States for the Soviet Union on or before April 7, 1961. The request of the Attorney General was made after lengthy consultations between the State Department and the Department of Justice in the belief that it would best serve the national and foreign policy interests of the United States. This case received considerable publicity.

Vladilen Vasilyevich Klokov, 1961: Soviet National, Third Secretary of the Soviet Mission to the United Nations. Was entitled to diplomatic privileges and immunities under provisions of Section 15 Headquarters Agreement. Klokov departed the United States on November 16, 1961. USSR Mission to the U.N. advised by the U.S. Department of State that Klokov's visa was invalidated and he would not be permitted to re-enter the United States.

Evgeni Valerianovich Pavlov 1962: Soviet National, employed at UN Secretariat, as an Associate Economic Affairs Officer in the Industrial Development Division of Department of Economic Social Affairs. Pavlov departed the United States on June 8, 1962. Requested to depart as PNG.

Yuriy A. Mishukov, 1962; Yuri V. Zaitsev, 1962: Both Soviet Nationals. Were employees of UN Secretariat. Sought intelligence information from a candidate for election to a state legislature (NY). Information regarding their illegitimate activities brought to attention of Secretary-General by State Department and Secretary-General dismissed both men. Mishukov had already left the country and Zaitsev departed on August 7, 1962.

Evoeni M. Prokhorov, 1962; Ivan Y. Vyrodov; 1962; Vadim Vladimirovich Sorokin, 1962; Mikhail Stepanovich Savelev, 1962: Named as co-conspirators in *United States* v. *Drummond*. Soviet Nationals attached to Soviet Mission to UN. Prokhorov and Vyrodov were Second and Third Secretaries, respectively, of the Soviet Mission and Sorokin and Savelev were employees of the Soviet Mission.

Prokhorov and Vyrodov were declared as PNG and they departed the USA on October 1, 1962. Sorokin and Savelev had previously departed the country voluntarily.

Ivan Dmitrievich Egorov (Indicted) 1963; Petr Egorovich Maslennikov 1963; Aleksei Ivanovich Galkin 1963: Named as co-conspirators in *United States* v. *Egorov, et al; United States* v. *Sokolov-Baltch*. Egorov, a Soviet National employed by the UN Secretariat, together with his wife, Aleksondra; Robert K. Baltch and Joy Ann Baltch, was indicted by a Federal grand jury in Brooklyn, New York, on July 15, 1963, for violation of the espionage statutes (Title 18, USC, Section 794(c)). Petr E. Maslennikov and Aleksei I. Galkin, First Secretaries of the Russian Mission and Byelorussian Mission to UN, respectively, were named as co-conspirators. Prior to trial, Egorov and his wife were simultaneously exchanged for two Americans, a Jesuit priest and a student, who were being held by the Soviets in the USSR. A superseding indictment was returned by the Federal grand jury in Brooklyn, New York, on December 17, 1963 (*U.S.* v. *Sokolov-Baltch*) naming the Egorovs as well as Soviet officials Maslennikov and Galkin as co-conspirators but not as co-defendants. Maslennikov and Galkin had voluntarily departed this country on May 3, 1963 and May 10, 1963, respectively.

Gleb A. Pavlov 1963; Vladimir I. Olenev 1963; Yuri A. Romashin 1963: Named as co-conspirators in *U.S.* v. *Butenko and Ivanov*. Soviet Nationals attached to the Soviet Mission to UN. Romashin was Third Secretary; Pavlov was an Attache and Olenev was an employee of the Soviet Mission. All were declared as PNG and they departed the country together on November 1, 1963.

Gennadiy Sevastyanov 1963: Soviet National, cultural attache of the Soviet Embassy, Washington, D.C. Expelled from the United States for "highly improper activities incompatible with his diplomatic status," which activities reportedly involved his efforts to penetrate the Central Intelligence Agency (CIA) by attempting to recruit the services of a U.S. Government employee of Russian parentage. Declared PNG and departed the United States on July 3, 1963.

Vasily V. Zadvinski, Vladimir P. Grechanin, Alexander V. Udalov, 1964: Soviet Nationals, attached to Soviet Embassy, Washington, D.C. General Major Zadvinski was Soviet Military Attache; Colonel Grechanin was Assistant Soviet Military Attache, and Colonel Udalov was Assistant Soviet Air Attache. All were declared PNG and ordered to depart the United States on December 14, 1964.

Boris Karpovich, Fedor Kudashkin, 1965: Named as co-conspirators in *U.S.* v. *Robert Glenn Thompson*. Both are Soviet nationals. Fedor Kudashkin was a former employee of the United Nations Secretariat who had departed for the Soviet Union prior to returning of the indictment in *U.S.* v. *Thompson*. Boris Karpovich was Information Counselor at the Soviet Embassy in Washington, D.C. Karpovich held diplomatic immunity and was declared PNG and ordered to depart the United States on January 12, 1965.

Then there are the cases where American citizens have been involved in espionage—remember, this is espionage of the present not of the past—and have been subsequently prosecuted by the U.S. Government. This is a reminder that Soviet perfidy has not mellowed but rather has continued in a steady, well planned and all too successful manner. Note these specific cases:

A PARTIAL LISTING OF VIOLATIONS OF ESPIONAGE STATUTES, 1960–65

1. Igor Y. Melekh and Willie Hirsch, indicted on three counts with conspiracy to violate Section 793 (a) (b) (c) and Section 951 of Title 18, U.S. Code. On motion by Government, court altered the bond of Igor Melekh, a United Nations employee, to permit him to leave the United States. Upon further motion by the Government, court dismissed the indictment on April 11, 1961, as to Melekh and Hirsch.

2. Robert Soblen, convicted for violation of espionage statutes and sentenced to life imprisonment on August 7, 1961. Free on appeal, Soblen unlawfully fled the United States and subsequently committed suicide in England.

3. Arthur Rogers Roddey, pled guilty to violations of espionage statutes and sentenced to eight years imprisonment on February 17, 1961.

4. Irvin C. Scarbeck, charged with unauthorized transmittal of classified information to an agent of a foreign government. Convicted and sentenced to 30 years imprisonment in 1961. In 1963 sentence was reduced to 10 years by District Court.

5. Nelson C. Drummond, indicted on two counts in October, 1962, convicted and sentenced to life imprisonment for having conspired with four Soviet Nationals, all former members of the Soviet Mission to the United Nations to deliver information relating to the national defense of the United States to the U.S.S.R.

6. Ivan Dmitrievich Egorov, Aleksandra Ivanovna Egorov, Robert K. Baltch and Joy Ann Baltch, indicted on charge of conspiring to transmit information about rocket launching sites, atomic weapons in shipments, and other aspects of national defense to the Soviet Union. Egorov, a Soviet National, was employed by United Nations Secretariat, but his claim of diplomatic immunity was denied by court. Prior to trial, the Egorov's were exchanged for two Americans, a Jesuit priest and a student, who were being held by the Soviets in U.S.S.R. The Baltches, alias Sokolovs were dismissed from a new indictment at the request of the Attorney General whose action was prompted by overriding considerations of national security. They departed from United States on October 15, 1964.

7. John William Butenko and Igor A. Ivanov, a Soviet National, convicted of conspiracy to violate espionage statutes and sentenced to 30 and 20 years imprisonment respectively in December 1964.

8. Robert Glenn Thompson, indicated on charge of obtaining information for the Soviet Union on U.S. military installations, missile sites, code books and intelligence and counterintelligence activities, including the identity of American agents. Pled guilty and sentenced to 30 years imprisonment last year.

9. Robert Lee Johnson and James Allen Mintkenbaugh, indicted on charges of conspiring to commit espionage on behalf of Soviet Union. Pled guilty and sentenced to 25 years imprisonment each in 1965.

10. Paul Carl Meyer, pled guilty on four counts of misuse of American passports. On February 26, 1965, was sentenced to 2 years' imprisonment on the first of these counts and to 1 year each on the remaining three counts, these sentences to run concurrently. Meyer fraudulently obtained 15 passports in Chicago, traveled to Berlin and sold passports to Soviets.

British Prime Minister Wilson, a Laborite, was compelled to stand up before the Parliament recently and reveal that the dock strike which has created a national crisis in island England is the work of hard-core Communists.

Yet there are those here who tell us, as they did just before the Cuban missile crisis, that communism is "mellowing" and that the Communists are not behind much of the violence and revolutionary action currently disturbing the United States.

The record is quite the contrary. The Communists are as active or more active than ever on the home front and, in Vietnam, they are supplying with armaments those fighting our American forces. The leopard has not changed his spots; they are just being whitewashed.

* See FBI Statement, "Expose of Soviet Espionage—May 1960" (pp. 30–38, for PNG cases during period of January 1, 1950 to May 1, 1960)

AN OPTIMISTIC COMMUNIST PARTY

An optimistic Communist Party, U.S.A. moved into more overt activities in 1965 and 1966 than at any time in the past. A series of favorable Supreme Court decisions coupled with public apathy and the perennial liberal shortsightedness on communism has given it an impetus to push its activities harder than at any time since the late forties and early fifties. Communists have been very active in stirring public sentiment against the Vietnam involvement. They have been active on campus and in their efforts to infiltrate civil rights groups. No target seems as promising as the youth of our Nation, however, and it is in this area we should have special concern.

Typical of the duplicity they utilize is the Berkeley, Calif., student uprising and the tactics of Bettina Aptheker. She "inspired" and "led" the students during their uprising while concealing her true allegiance and identity. She tiraded against anyone who suggested she was a Communist and posed as a modern Joan of Arc. She later revealed that she had been a Communist all of the time. Unsuspecting Americans play into the hands of those who infiltrate mass organizations. The record is replete with other examples of this same infiltration of free speech movements, socialist clubs, the DuBois Clubs and so forth.

OFFICIAL PERSONNEL FOMENT SPYING

The most powerful source of subversive assault on America comes from the official Soviet personnel who are in the United States. At a recent congressional hearing, FBI Director J. Edgar Hoover warned:

> It is well established that a topheavy percentage of Soviet bloc personnel assigned to this country actually have intelligence assignments of one type or another. The number of these representatives has steadily increased over the years and the Soviet bloc works diligently to send more and more such representatives to this country. These individuals range from those assigned to their embassies and the United Nations to numerous other groups, including commercial representatives, exchange groups and the like.

In the Communist Party, U.S.A., the Soviets have a great advantage in commanding their own forces behind the lines of the declared enemy, us, and of having the enemy accord such forces the status of legal participants in the quest for political power. Supreme Court decisions have put the Communist Party in a position that it is a legitimate contender for political power, a great misassumption of fact, I am certain. With their own nationals in our country to give direction to the CPUSA, they have a dangerous combination which should make all Americans consider the subversive thrust of our avowed enemy.

The House Committee on Un-American Activities, the Senate Internal Security Subcommittee, the FBI, the Justice Department, and other intelligence agencies are at the forefront of the fight against Communist subversion and criminal conspiracy. Public opinion is just as vital, however, and Americans must never let themselves be lulled into complacency. As the record clearly indicates, Communist subversion and conspiracy continues just as it has since the godless philosophy gained a foothold in Russia two generations ago. To understand the enemy and his tools is half of the battle and I join many others who pledge to continue this unrelenting fight against a vicious, wily and most dangerous foe.

THOSE MAGNIFICENT REDWOODS

The SPEAKER pro tempore. Under previous order of the House, the gentleman from California [Mr. DON H. CLAUSEN] is recognized for 30 minutes.

Mr. DON H. CLAUSEN. Mr. Speaker, great interest has been shown in proposals to create a Redwood National Park in northern California, and many Members of this House have asked me as Representative of the Redwood area, about these proposals. Recently I testified before the Senate Interior and Insular Affairs Committee field hearings held in Crescent City, Calif., June 17 and 18. At that time, I attempted to set forth the background of the problem, as I have learned it from a lifetime of residence in the area, and I attempted to spell out my own opinions of the proposals before the Congress. For those who would be interested in this statement, I insert this statement in the RECORD:

STATEMENT OF HON. DON H. CLAUSEN BEFORE THE SENATE INTERIOR COMMITTEE, CRESCENT CITY, CALIF., JUNE 17, 1966

Mr. Chairman and members of the Senate Interior Committee, may I first of all welcome you to the First Congressional District of California—the beautiful "Redwood Empire District"—and say that my constituents and I are pleased and thankful to have you here to view the area affected by the Redwood Park proposals before this committee. We have been urging full and complete hearings on these proposals for a number of reasons, with some groups urging creation of a Redwood Park without delay and others, the residents of this Redwood area, needing a prompt solution so as to ease the financial strain on the local economy which would be caused by delay. Also, the threat of government acquisition of large forest productive acreages has left an adverse psychological impression on the local people affected. They are understandably weary of the continuing harassment.

As some of you may recall, this community of Crescent City and the County of Del Norte have had their share of problems. In 1963, the Alaskan earthquake caused the devastating tidal wave that nearly wiped out the downtown section of Crescent City. In 1964, the extraordinary floods swept all of the buildings of the town of Klamath out to sea. This last winter, the Smith River went on the rampage, causing damage to the lower valley of the river with the resultant opening of a new mouth to the river. And now, the Redwood Park proposals to many is "the straw that broke the camel's back."

Your hearings here today, and those hoped for by the House Interior and Insular Affairs Committee—are a reasonable answer to these requests for prompt action. For this we thank you very much.

At the outset of my testimony, perhaps it would be of interest for you to know the position of the Congressman from this Congressional District. As you may know, President Johnson proposed his Redwood National Park program to the Congress on February 23 of this year through Secretary Udall. On that same day, Senator KUCHEL and I introduced the President's bill in the Senate and the House, respectively.

When I introduced this bill, I made a statement to the House of Representatives expressing my views. I think two paragraphs of this statement will adequately summarize my position. First of all I said:

"It has become clear that one of the rarest resources in the world—the tall coast redwoods—should be recognized as one of our great national assets and that suitable redwood forests be set aside under the care of the National Park Service. By my words and action today, I fully endorse this concept."

Parenthetically, this key statement that, in my judgment, accurately describes the current status, appeared in the most recent issue of U.S. News & World Report:

"There appears to be wide acceptance of the idea that the giant Redwood Trees are one of Nature's greatest wonders and should be included in the National Park System. Virtually everyone agrees that, when all is said and done, there is going to be a National Redwood Park. The only remaining questions are when, where and how big?"

Regardless of my own thoughts, my position of responsibility is different from that of any other member of the House. Again, may I quote a second paragraph from my statement:

"More than 400 members of this honorable body may find it hard to question the protection of beautiful redwood forests, and that is understandable. But there is only one—the Congressman from the First District of California—who has the direct responsibility to protect also the legitimate interests of all the people who live there."

With this position in mind, Mr. Chairman, I would confess that I had some reservations in introducing the Administration's bill. Many people in this particular area are critical that the State of California has not developed the recreational potential of the more than 100,000 acres of redwood forests it has held in State parks for many years. Secondly, because the timber products industry represents more than 70 percent of the local economy, others fear for their jobs. And still others, who pay property taxes, or public officials concerned with tax revenue income, fear that the tax base will be seriously eroded by federal acquisition of private lands, thereby increasing their own tax load.

These are reasonable concerns that I, as their representative, also must voice. Frankly, I introduced the Administration bill because I thought it made an honest effort to answer these problems and was a reasonable starting point for Congressional consideration. I am sure the witnesses before you today and tomorrow will go into great detail about the local economy, jobs, the tax base and other considerations involved, and I hope that, from this, a clear determination can be made as to whether these concerns are adequately answered by the bill. It is my personal view that the economic adjustment provisions are totally inadequate and will require the maximum evaluation by the committees.

Quite frankly, I do not believe that either one of the bills now before your committee, as written, will be finally accepted and adopted by the Congress. More logically, I believe it will be a combination of the two. This, of course, is to be expected when considering what I will describe as the most complex and complicated conservation proposal ever presented to the Congress.

There are strong feelings on both sides of the issue before us. As many of my colleagues have sympathetically stated, "CLAUSEN, we don't envy your position, being caught squarely in the middle of a highly

emotional and controversial issue." This may come as a surprise to you, Mr. Chairman, but quite to the contrary, I welcome this opportunity to accept the challenge that will lead toward a satisfactory compromise solution.

At the risk of appearing to be immodest, I would like to state for the record the reasons why I am content to be in this position. First, careful scrutiny of my voting record in Congress will reveal a strong record of support for the responsible conservation programs presented to the Congress. On this Redwood Park and other conservation proposals, I have consistently kept an open mind and will continue to do so because in a representative government, we have the obvious obligation to seek recommendations for improvement of any legislation before us.

Secondly, the fact that I was born and reared in this great Redwood country, I believe, places me in a unique position to assist the interested groups and the legislators in gaining access to and being provided with the important factual data that is so vitally necessary to the rendering of a proper decision. Suffice it to say, I am equally aware of the problems and the potentials.

Having said this, it will be my objective to work with you to find the most reasonable and practical compromise—the final plan could well take shape by coordinating and improving the two bills before you. Mr. Chairman, I am strongly convinced that everyone is going to have to give on this matter. As the testimony is gathered and the overall economic factors come to light, I am certain that you will then see what I know to be true—we have previously referred to this National Redwood Park proposal as complex and complicated. I might add one very important description—it will be very costly.

Mr. Chairman, the financial problems associated with this park question are enormous. Further, a careful study of the history of the various parks authorized by the Congress, particularly in recent years, will reveal a pattern of gross underestimates in the land acquisition and park development costs. Some will say that this is to be expected because "whenever the government moves in to buy something, the costs go up and/or the speculation runs rampant." Others have said the estimates have been kept purposely low in order to get the bill passed through Congress.

In this case, we cannot afford to speculate. There is too much at stake. Before arriving at any final decision, every member of Congress should know exactly what it will cost. The taxpayers of America also have a right to know. It will be my purpose to do everything within my power to minimize any inaccurate estimates of the project.

To emphasize my point, the Senior Senator from California, Mr. KUCHEL, and I also have bills pending before the Congress to increase the grossly underestimated authorization of the Point Reyes National Seashore from the original $14 million to the new Park Service estimate of an additional $30.5 million, or a total of $44.5 million. This project is also in my Congressional District.

Mr. Chairman, I want to serve notice right here and now that I believe we, in the Congress, have the responsibility of completing the job on existing park proposals such as Point Reyes. Many people were affected by this project and are entitled to expect an early completion. I, therefore, have established this as my first priority conservation project.

Returning to the Redwood Park question, I would like to point out that because of these stated concerns and reservations, I introduced a second bill in the House—and this brings me to the first of two major points I would like to make before this Committee today. My second bill, H.R. 13042, would provide a Redwood National Park in this same area as the Administration bill, but instead of taking the 18,000 acres of Rellim Redwood Company lands, comprising the entire Mill Creek watershed, the bill provides for a corridor connecting the two state parks. This would leave the question of the Rellim lands within the Mill Creek watershed—most of which are not park quality—subject to an acceptable land management agreement with the Congress. As to watershed protection, the Lowdermilk Report will substantiate and remove any concern of soil erosion.

With the existing demonstration forest program and the Redwood Park and Recreation Plan of the forest products industry involved, we have the opportunity of establishing an interesting and potentially exciting new concept of coordinated conservation planning. The end result could be a model reforestation program immediately contiguous to the Redwood National Park. The educational value associated with this concept is truly unlimited. The local people have adopted a slogan, "Parks and Payrolls." This proposal is designed to fulfill their request. The Rellim Redwood Company has the reputation of being one of the finest land managers in the business, thereby lending validity toward acceptance of this concept. Incidentally, part of this recommendation came as a result of many discussions I held with a highly respected member of the Save-The-Redwoods League and also a local informal citizens committee headed by the late Superior Court Judge, Michael Messner. The fact that this bill has not been introduced in the Senate points to the reason for its not being up for consideration by your committee today, but I would ask that the members of this Subcommittee become increasingly familiar with this approach because I believe it provides many meritorious opportunities toward reaching the ultimate compromise.

As you also know, the second major proposal before this committee today is to create a Redwood National Park in the Redwood Creek watershed, consisting of some 90,000 acres. This proposal also contemplates the acquisition of thousands of acres of non-park quality lands for the purpose of forming a so-called "ecological unit" to protect the virgin redwoods downstream.

So it seems to me that one of the major issues before the Congress is this doctrine of federal acquisition of an ecological unit. I simply ask the academic question: Are there other ways to guarantee the protection of these cathedral-like forests other than authorizing the federal government to buy the entire watershed? It seems to me that the answer to this question reaches to the very heart of the crucial economic question before the Congress, not only from the standpoint of federal cost in a time of extremely tight money, but also from a standpoint of economic damage to the local community.

This question of economics also is involved in the second major point I would like to raise before the committee today. Perhaps the members of this honorable committee are aware—and especially Senator KUCHEL because of his very close contact with the state—of the major factors, aside from the federal bills, that affect the redwood park issue. But I can say from my own knowledge that most of the people of this area specifically, and presumably the United States in general, are not aware that the State of California apparently plans even greater land acquisitions for the state park system than are envisioned by the federal government in the Administration bill. It is a clear fact that creation of a Redwood National Park by the Congress physically cannot meet all of the economic problems involved unless the committees of the Senate and the House thoroughly study the impact of the total land acquisition contemplated by the state as well as the federal government.

In other words, the economic problems of the redwood region cannot be solved if the federal government places a park in Del Norte County and attempts to solve the economic impact here while the state expands its Prairie Creek and Southern Humboldt State Parks in Humboldt County. Or, in the wisdom of the Congress, if it places the park in the Redwood Creek watershed, including Prairie Creek Redwood State Park as proposed by the Sierra Club, then the economic problems are not solved if the state expands here in Del Norte County and at Southern Humboldt Redwood State Park. For this reason, I strongly urge this committee to make every effort to determine what the state planing is at this time, so that the entire land acquisition picture can be placed before the Congress and the people for action and reaction. In other words, we the people of the area must consider the federal and state land acquisition plans in block because of the overall economic impact on our entire area.

It is appropriate to note, at this point, that these acquisitions are not unilateral actions by the federal government on one hand and the State of California on the other. Secretary Udall's proposal to the Congress, in submitting the Administration bill, makes this clear in the Section labeled "Scope of the Proposal" contained in the Secretary's presentation on pages 20 and 21. This Section clearly indicates that a deal has been made between the state and federal administrative agencies.

This agreement contemplates that the federal government will establish a Redwood National Park by receiving Jedediah Smith and Del Norte Coast Redwood State Parks from the state and by aquiring 18,000 acres of Rellim lands to round out this major unit of the park, as well as acquiring approximately 1,400 acres of the separate "tall trees" unit to the south. This is the portion of the proposal that is generally known by the public.

The state's part of the proposal, which is not generally known, is that it would receive the King Range Conservation area of approximately 31,000 acres from the federal government and consolidate this with the 38,000 acre Southern Humboldt Redwood State Park by acquisition of an additional 18,000 acres in the Mattole River area. In addition, the state would also acquire some 16,600 additional acres adjacent to Prairie Creek Redwood State Park to expand this state facility as well as receive the Muir Woods National Monument in Marin County from the federal government. The total of these new state acquisition was estimated by Secretary Udall to cost $12,700,000, one-third of which, according to the Secretary, could come from contingency funds in the Land and Water Conservation Fund, the Secretary would help raise another third of this amount from major national foundations, and the other one-third would, hopefully, be raised by local conservation groups in cooperation with the state. In all honesty, I think it is appropriate that we remind ourselves of the problems associated with the Land and Water Conservation Fund. The revenues are lower than estimated originally, and there are over 300 conservation projects now authorized by the Congress that will be dependent upon the scheduled accumulation of moneys for their funding.

For the record, Mr. Chairman, I would respectfully request at this time that pages 20 and 21 of Secretary Udall's proposal to the Congress be included in the committee record at this point.

In summary, Mr. Chairman, it is my feeling that the Congress has before it proposals with a great number of ramifications because the facts are difficult to obtain. I fully agree with the committee's determination to build a full and complete record on all of the economic and aesthetic considerations involved in these proposals. And, I strongly urge that the doctrine and philosophy of the ecological unit be thoroughly considered and examined as well as the entire package proposal of land acquisitions by the federal and

state governments so that the full impact on the area can be ascertained. Only when this is done can the Congress make an accurate decision based upon all of the facts. In my judgment, no Senator or Congressman can arrive at an honest and objective decision on this vital question until this full and complete record is available for review. As the Congressman from the area, I have not yet reached a final decision, and will not do so until all testimony is included in the record. I ask that each of you follow this suggested approach.

In conclusion, Mr. Chairman, you, the Members of this Subcommittee, our colleagues in the House and Senate and I, have a very heavy responsibility in this matter. We must share the burden of arriving at the final decision that includes the proper solution to the Redwood National Park question.

With this in mind, I would like to remind the Senators present that this hearing is being held in the County that has been my home for the past 25 years. I served as a Member of this Board of Supervisors for seven years, so I feel somewhat qualified to suggest that the Congressman from the First District is quite familiar with the area in question.

Therefore, I would like to offer what I think would be a representative point of view of the people of this county. Let's inventory the situation as the residents of this county might do. Put yourself in their position. What might be your observations? First, and quite naturally, you will be concerned over any major land acquisitions by public agencies when over 70 percent of the available land in the entire county is already owned by the State or Federal governments. With each passing week, some new development takes place. Another staff member or an appraiser representing a State or Federal agency has come in to "disturb the serenity" of the area. A new, chastising article appears in the newspaper or in a magazine, placing emphasis on readily acknowledged forest practice problems that were created by some cut-out and get-out logging operator who is no longer here to be held responsible for his actions. You live in this area because you like it here, the natural beauty of the rivers and trees, the fishing and camping, the people, the opportunity to provide a normal living for your family.

Quite honestly, you don't mind sharing this abundance of natural beauty with others—you've been doing it for years with the outstanding Jedediah Smith and Del Norte Coast Redwood State Parks in your backyard. As a matter of fact, you see the opportunity of "making a buck" from tourists who come to see these giant cathedral-like groves such as the Stout Memorial. But, having lived here, you are also quite familiar with the fact that the type of weather conditions we have on the North Coast, the heavy winter rains and the prevalent summer fogs, which cause these great trees to grow and reproduce in the first place, are also the understandable limiting factors for expanding the tourist industry.

Then, as one who has worked for years to attract stable industry to your area, you realize the limitations of the area because of a lack of railroad facilities. You work to encourage diversification of the existing industries because you know you can depend on this for your bread and butter.

After years of continuing coordination and cooperation with a highly respected organization operating a similar integrated forest industry processing plant in the State of Oregon, you reach the day when this organization holds a meeting announcing its plan for expansion.

Even though you are still recovering from the flood and tidal wave disasters, there now appears to be a ray of hope on the horizon. The men working now in smaller mills, who do not have sufficient timber resources to keep going, can feel secure in knowing that when their plant closes down, they have an opportunity to get a job in the new full-utilization plant that is expanding. As the grocer, the clothing merchandiser, the service station operator, the clerk in the five and dime store, you take great satisfaction in the fact that payrolls will continue to provide purchasing power for the goods and services you have to offer.

Then, out of the blue, come the activities of State and Federal agencies, the announcement of the President to create a National Redwood Park. Your hopes for the future are clouded—you don't know if you'll have a job. Can we stay in the area? Can the children remain with their schoolmates? Should we buy that new or used car this year? Should we buy that new home or add on this additional room? No, let's wait until this Redwood Park issue is settled.

Gentlemen, while this may appear to be irrelevant to the legislation before you, I can assure you that that which I have described is very real to the person who lives in Fort Bragg, Scotia, Fortuna, Arcata, Orick or Crescent City. This is representative of the type of mail I have been receiving from people subjected to this harassment for the past two to three years. The continuing uncertainty about one's future can have a devastating effect on the morale of the area.

These people know what they have now, they know what they could plan on. They have an expanding operation underway that could well be the backbone of their economy for the years to come. Is it not understandable that they are concerned as they testify today?

Mr. Chairman, these people need our assurance that we will not legislate a new pocket of poverty in Humboldt or Del Norte County. The economic adjustment payment provision, which has heretofore never been accepted or established by Congress, is only the beginning of their concern.

I firmly believe the people of the area have a right to expect full protection against any legislatively imposed economic disasters. The basic point that I want to make is that should the Congress finally decide to adopt either the Administration or the Sierra Club proposal, then the Congress has the obligation of recommending and providing alternative economic and industrial sources of income for the areas. The recommended economic adjustment payments deal only with the calculated tax base losses and leave much in doubt as to the guarantee against other economic losses caused by the land acquisitions. This portion of the proposal must be more specific in scope before it can be understood and accepted.

I cannot say honestly that the people residing on the North Coast of California are against a National Redwood Park—they simply say, "We will support a park plan we can live with."

With this in mind, I will be working toward that end—a reasonable and responsible approach to the development of a "Livable Park Plan." With the passage of time, as more factual data is presented to our committees in the Congress, I shall keep abreast of my thinking on this important matter. I hope you will ask for my point of view from time to time. The people of the area and the nation are depending on us to be carefully considerate before arriving at a final decision—a decision that will be of extreme importance to all America. Together, I believe we can develop a satisfactory compromise.

In the coming months, as the record is built, I shall be putting together my thoughts for a comprehensive conservation package recommendation whereby the areas involved, the industry, the State and Federal governments can consolidate their efforts toward the adoption of a plan of "Redwoods Forever" by combining the preservation of an adequate reserve of the magnificent park-quality Redwoods with proper forest management practices. This package will include a National Redwood Park, the existing system of State Parks, with some possible additions, the completion of the Point Reyes National Seashore, a State Recreational complex associated with the Water Resource Reservoir development plans for the North Coast, the Scenic Roads and Trails recommendations of the State of California, the Forest Service Multiple-Use and Recreational plans, the Demonstration Forests of the Redwood Region Conservation Council and the very exciting Redwood Park and Recreation Plan.

The overall acreage commitment in this package will be surprising and should strike a responsive chord with preservation conservationists and multiple-use conservationists alike, with fishermen, hunters, campers and recreationists. This regional conservation package will be designed to sustain the integrity of this Committee, the House Committee and the entire Congress. It will embody an exceptional array of natural and man-made resource developments to demonstrate to the world that we in the Redwood Empire truly possess "American's Family Playground."

Thank you very much, Mr. Chairman and Members, for your patience and kindness in permitting me to testify today.

SOLVAY-GEDDES COMMUNITY YOUTH CENTER

Mr. TUNNEY. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. HANLEY] 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 California?

There was no objection.

Mr. HANLEY. Mr. Speaker, on Sunday, June 19, I had the pleasure of attending the dedication ceremonies marking the formal opening of the Solvay-Geddes Community Youth Center in my district. It was also a privilege to be allowed to contribute in small measure to the occasion by presenting the center with a flag that had flown over the U.S. Capitol. I was so impressed with the center itself and with the story behind its construction that I would like to share it with my colleagues.

The community youth center is a one-story structure containing a gym, swimming pool, steamroom, and other facilities for the recreational enjoyment of the town of Geddes, and especially for their children. Its existence is the result of many years of hard work and planning by the Solvay Tigers Athletic Club and its auxiliary, the organization engaged in the building and operation of the center. The late James M. DeLucia, a member of the Tigers, conceived the idea for such a building, and a memorial to him now hangs in the lobby in recognition of his contribution.

Over the past 20 years, the Solvay Tigers have conducted baseball and basketball programs for boys from the area. To support these activities and to realize their dream of a youth center, the Tigers conducted various fundraising activities with each member selflessly giving of his time and effort. Then, a few years ago, the group decided to take the first direct steps toward their goal of a permanent

center where they could organize and conduct their existing programs and expand their operations for the benefit of young people. The community youth center that exists today is the wonderful result of all their efforts throughout the years.

What makes the achievement of these fine people so noteworthy is that they accomplished their objective almost exclusively on their own. In addition to making financial contributions toward the center during the fund drive and having worked throughout the years to raise the initial capital, many of these same people went so far as to donate their time on weekends and evenings to aid in the construction of the building in order to help lessen costs. Through the cooperation of the village of Solvay and the town of Geddes, the Tigers were able to obtain equipment which the members used to level the side of a hill in order to provide an adequate building site.

When other citizens in the community became aware of the tremendous enthusiasm and dedication of the men and women of the Tigers, they responded with material assistance. Two charitable organizations, the Rosamond Gifford Foundation and the United Community Chest, made substantial financial contributions. The local business community also did its part. The Crucible Steel Co., located in Solvay, made as part of its contribution the presentation of stainless steel ovens for the kitchen at the center. The Solvay Process Division of the Allied Chemical Corp. donated the land for the center site and contributed substantial support in the form of financial assistance and the technical know-how of its employees.

As with any project of this magnitude, someone has to be appointed as overseer. To fill this position, the Tigers were extremely fortunate in obtaining the services of Mr. Carl E. Sassano. His individual contribution of time and ability was so outstanding that the members of the Tigers themselves, who could all claim equal praise for their efforts toward the center, saw fit to single out Mr. Sassano for special recognition and made the dedication ceremony a testimonial in his honor. Such commendation by his fellow citizens was truly well deserved, judging by the results of his activities. Mr. Sassano's conduct in this endeavor affords an excellent example of what a private citizen, interested in the welfare of his community and willing to expend the time and effort required to do something about it, can do to bring about an improvement in the life of his community.

The work and achievement of Mr. Sassano and his fellow citizens in the town of Geddes has not gone unnoticed. Their efforts and their center stand as a model of what a community can do when motivated. Other communities are looking to them for ideas on how to build similar structures in their areas. It was also as a result of this recognition that the Tigers were able to obtain as main speaker at their dedication the Right Reverend Monsignor Nicholas H. Wegner, director of the world-reknown Father Flanagan's Boys Town. Indeed, it was only fitting that a personality of Monsignor Wegner's stature and background be present at the opening of a facility primarily intended for the development of the youth of the community.

Thus, Mr. Speaker, it is a source of great pride for me to serve as the Representative in Congress of such people as those in the town of Geddes. Their efforts in constructing a youth center marks not only a successful completion of many years of hard work but also marks a beginning in that these wonderful opportunities are now available to their children. Through this facility, the young people of the town of Geddes will have a better chance to develop into responsible and worthwhile citizens who will be an asset to both their community and their country. They have been given the finest example of community responsibility and civic pride by their parents and neighbors, who have done so much for them and for their town by building this great center.

VIET MAIL CALL

Mr. TUNNEY. Mr. Speaker, I ask unanimous consent that the gentleman from South Carolina [Mr. ASHMORE] 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 California?

There was no objection.

Mr. ASHMORE. Mr. Speaker, I would like to call to the attention of the House an outstanding example of what is being done to assist in lifting the morale of our fighting men in Vietnam. A project called Viet Mail Call was begun last November by the Greenville Piedmont, the evening newspaper in Greenville, S.C. This was followed by the morning paper, the Greenville News, which produced a newsletter and sent it free to servicemen.

In the words of Seaman Charles Blocker:

> Every letter I receive says, "I don't know what to say that could cheer you up." Well, just to see the letters come is enough.

Thus Seaman Blocker, stationed on the U.S.S. *Valley Forge* off Vietnam, expresses his appreciation to the Greenville News-Piedmont Co. and hundreds of Greenville area people who had written as part of the News-Piedmont program of support. Blocker is only one of hundreds of servicemen, relatives, friends, area citizens, and organizations now involved in the constantly growing program of mail, materials, and most of all, moral support of our fighting men and units.

The Viet Mail Call and newsletter list, beginning with only "local" boys, now contains more than 150 names and addresses sent in by friends and relatives. It continues to grow daily. One marine wrote that he had received almost 600 cards and letters from Greenville area citizens, that he could not possibly answer them all, and wanted the Piedmont to thank the public for him. Dozens of sincere letters were received by the papers asking similar help.

The Piedmont's Viet Mail Call has developed into a folksy, page 1 column, with correspondence going to, and coming from, servicemen with citizens telling of replies from them and relatives writing in to thank the paper and the public. The Greenville News' newsletter also received high praise for its summaries of sports and news events edited especially for Vietnam fighters far away from home. In some cases these men were unable to get up-to-date newspapers from their hometown.

Probably the biggest single flood of mail, one which emphasized citizenship in the best possible way, came from Wade Hampton High School in Greenville. Miss Bonnie Barrows, student body president and daughter of Cliff Barrows, who is Evangelist Billy Graham's song leader, directed a Citizenship Week project in which some 1,500 students each wrote a Viet Mail Call addressee on Freedom Day. Much of this correspondence has been continued.

There was also the case of the small Bible class at Greenville's Edgewood Church of Christ, which "adopted" one Marine Lance Cpl. Robert Borger, for prayer and letters. Bob and the class, taught by Mrs. W. D. Lawless of Route 2, Piedmont, S.C., now carry on a "family" correspondence that seems to be an inspiration to both.

Several organizations and individuals have "adopted" men and units to help them with Vietnam social and rehabilitation projects, the Viet Mail Call advises others wishing to do so to contact the Community Affairs Branch of the Pentagon if planning a large-scale project.

Throughout the projects, one thing has been quite clear: all of the servicemen are eager for expressions of support and the people of the Greenville area are more than willing to respond to the appeal for support of their fellow citizens caught up in war.

The Greenville-Piedmont Co., both management and staff, are to be commended for such a fine program. I wish to bring their efforts to public attention so that others may know what they are doing, and I can think of no better place than here in the U.S. House of Representatives.

IDAHO'S GREAT OPPORTUNITY

Mr. TUNNEY. Mr. Speaker, I ask unanimous consent that the gentleman from Arizona [Mr. UDALL] 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 California?

There was no objection.

Mr. UDALL. Mr. Speaker, recently I had an opportunity to participate in an unusual day of political activities in Pocatello, Idaho. On one day, and in one city, there was a Republican dinner, a Democratic dinner, and a public meeting at which representatives of the two parties debated current political issues. My colleague, the gentleman from Michigan, Congressman GERALD FORD, the minority leader, and I took part in the debate.

At the Democratic dinner that evening my party's candidate for U.S. Senator was the guest of honor. His name is Ralph Harding, and he is well known to all of us who served with him in the 87th and 88th Congress. He was a vigorous and effective Member of the House, and I know he will be an equally valuable Member of the Senate.

The principal address at the Harding dinner was given by one of our most beloved colleagues, the gentleman from California, the Honorable CHET HOLIFIELD. His speech was not only a strong endorsement of Mr. Harding's candidacy but a positive statement of what the Democratic Party stands for and has been working for in this Congress.

Mr. Speaker, without objection, I shall insert the text of Mr. HOLIFIELD'S speech in the RECORD at this point:

REMARKS OF THE HONORABLE CHET HOLIFIELD, DEMOCRAT, OF CALIFORNIA, POCATELLO, IDAHO, MAY 21, 1966

It's a real pleasure to be here tonight helping the friends of Ralph Harding launch his campaign for the United States Senate. Ralph Harding served with me for four years during the 87th and 88th Congresses, and I can honestly say he was the type of Congressman who I feel will make an outstanding United States Senator.

After Ralph Harding first arrived in Washington in 1961, we soon became good friends. He realized early that the committee assignments of his colleagues could be helpful to the State of Idaho. I am sure it wasn't entirely accidental that our friendship developed rapidly.

I was chairman of the Joint Committee on Atomic Energy, and Ralph Harding had a great interest in atomic energy because of the National Reactor Testing Station located here in Idaho.

He proved to be a valiant fighter for authorizations and appropriations that were needed for the National Reactor Testing Station and other atomic energy programs. Our Committee could count on the vote and the support of Ralph Harding in meeting the atomic energy research and development needs of this great Nation.

Therefore, when in the 88th Congress, Ralph Harding sought a seat on the Joint Committee on Atomic Energy, I was delighted to sponsor him. Had he been reelected to the 89th Congress, I am confident that Ralph Harding today would have been a member of this Committee that is so important to your State.

I supported him not just because he had a major atomic energy installation in his District, but because I honestly felt he was the type of progressive and dedicated young man who puts the needs of the nation first and foremost in his service in Washington.

I still have high hopes that some day it will be Ralph Harding's opportunity to serve under my chairmanship on the Joint Committee on Atomic Energy, even though he will necessarily be doing so as a member of the United States Senate.

The past year, during which Ralph served as the Special Assistant for Legislative Affairs for the Secretary of the Air Force, has been a year of growth and development that will enable him to be a very productive member of the United States Senate.

Ralph's background has certainly prepared him to serve with distinction in the United States Senate. His two years of military service, his college education in political science, his term in the Idaho State House of Representatives, his four years as Auditor with a certified public accounts firm and Comptroller of a large Idaho industrial corporation, his two terms in the House of Representatives, and now his year as an Assistant Secretary of the Air Force, provide an ideal foundation from which to launch a career in the United States Senate.

Ralph Harding has the background, the ability, the dedication, and the political philosophy to do a great job for the people of Idaho.

Ralph Harding's political philosophy is very close to my own. He believes in moving America forward through the wise and progressive legislative programs of such great Presidents as Franklin D. Roosevelt, Harry S. Truman, John F. Kennedy and Lyndon Baines Johnson.

Ralph Harding is proud to be a Democrat, and we Democracts in the United States House of Representatives were proud to work with him and we will be even prouder to work with him as your next United States Senator.

Two factors are vital in our National Legislature—experience and seniority. Ralph Harding has a fine background of experience in business, state and federal legislative bodies and as an Assistant Secretary of the Air Force.

He is a young man, as is your senior Senator, the Honorable FRANK CHURCH.

I am 62 years old. I am serving my 24th year in the House of Representatives. A few years ago I had the opportunity to be a candidate for the United States Senate from California. I considered at some length the value of my accumulated seniority in the House and my age at that time.

One of the factors that caused me to stay in the House was my life expectancy in relation to Senate turnover of membership. I decided the percentage for duration of service, in order to obtain the power which seniority brings to a member of the Senate, was not in my favor.

In the case of Senator FRANK CHURCH and Ralph Harding, the percentage of life expectancy is markedly favorable. Because of the higher level of age in the Senate, these mature but relatively younger men, have great growth potentiality.

A United States Senator can progress in seniority a long way in two terms in the Senate, particularly in growth of power . . . if he is a member of the majority party.

A state has a tremendous selfish interest, if you will, in the potentiality of a Senator's growth in effective seniority. As evidence of this, you are aware that Senator CHURCH, first elected in 1956 at the age of 32 is in his 10th year of service, the Chairman of two important Subcommittees of the Foreign Relations and Interior and Insular Affairs Committees.

Within a very few years Senator CHURCH will, as he continues to serve you, be chairman or ranking member of one of these two great Senate Committees.

Ralph Harding will be 37 years old this September. He is in the prime of life and vigor. While none of us can predict the span of life of an individual, we do know the percentages listed on the life expectancy tables.

Ralph Harding is experienced enough to be your Senator. Fortunately, he is at an age to accrue many years of seniority. He is a member of the Party that has proven to be in tune with the Nation's needs and he will be a member of the Congressional Party which the majority of voters have chosen, for 30 years out of the last 34 years, to implement our great social, scientific, and economic programs.

I came to Idaho a day early in order to visit the National Reactor Testing Station. At this Station we are demonstrating the dynamics of a probing, inventive policy of experimental development in the new field of atomic science.

We, the members of the Joint Committee on Atomic Energy, know intimately of its great importance to our nation and the free world.

With its 5,500 employees, it is a great asset to your state.

We have invested more than a billion dollars in its facilities and operational costs. This year's budget is approximately 83 million dollars. It will continue to have an important function in our atomic program.

Few people realize that the first full-scale prototype of the nuclear submarine fleet, the *Nautilus,* was built on the National Reactor Testing Station site under the direction of Admiral Hyman G. Rickover. He is still in charge of the Naval Nucelar Reactor Program and we are approaching the 100 mark in our nuclear submarine fleet.

Thirty-seven of these fantastic vessels are equipped with 16 Polaris nuclear-tipped missiles. Each of these submarines possesses more than three times the explosive power of all the bombs dropped in World War II. They represent the first line of defense for *your* freedom and the freedom and liberty of the non-communist world!

The prototype for this great deterrent power was constructed on the sands of Idaho. The crews for each of these new submarines are given their initial training in these prototypes.

Now we are moving into propulsion of surface warships. We have the great aircraft carrier *Enterprise,* the cruiser *Long Beach,* and the frigate *Bainbridge.* Others will follow. Important developmental work is in progress for the nuclear fleets of tomorrow, in Idaho.

On the civilian side, this past year and a half has reflected a significant breakthrough in the numbers of nuclear power plants being ordered by the electric utilities.

In the first four months of 1966 electric utilities have announced firm construction contracts for approximately 3,700,000 kilowatts of additional nuclear capacity. This represents one-half of all new generating capacity announced. New announcements are being issued every month.

This means commercial acceptance of the production of electricity from the atom. It means the developmental work performed here at the National Reactor Testing Station has been successful.

But we have not completed our work. The challenge of the breeder reactor that will utilize 30 to 40 times the thermal units imprisoned in the atom demands additional developmental work here at the National Reactor Testing Station.

It will not be an easy job, but if we succeed, we will bequeath to our descendants a limitless source of energy.

The level of living and cultural standards of a society is related directly to the per capita use of energy. We have the highest standards of living in the world because we use more horsepower of mechanical and electrical energy per person than any other nation.

I want to talk to you tonight about the programs that demand an ever-increasing use of energy.

The Democratic Party does not believe in drift and delay. We do not believe in fear of the future or a policy of resistance and obstruction for the present.

Before you can use mechanical and electrical energy, you must have the energy of the mind to direct that use * * * and you must have the energy of the heart to use that energy for the welfare of the people.

The great leaders of the Democratic Party, Woodrow Wilson, Franklin Delano Roosevelt, Harry Truman and John F. Kennedy, brought you great new programs under the banners of the "Square Deal," the "New Deal," the "Fair Deal" and the "New Frontier." Under these programs the people prospered and advanced.

Today we march under a new banner which we call the "Great Society" and our

great and energetic leader is President Lyndon Baines Johnson.

We are going to attain the goals of the Great Society because it is based on the firm foundations laid so well by the predecessors of Lyndon B. Johnson.

We are going to attain the Great Society because the energy of mind and heart of our President has never been excelled by his great predecessors.

We are going to make giant strides toward the goals of the Great Society because the people of the United States are glimpsing the form and structure of that society as we in the Congress, working with President Johnson, build floor on floor of that Great Society structure.

The President cannot do it alone. He must have skilled workmen, such as Senator FRANK CHURCH and Senator-to-be Ralph Harding. These men share the same ideals and are dedicated to the support of the Great Society programs. You can do your part by sending the type of skilled workmen the President needs to our Nation's Capitol.

You, the people of Idaho, are adventurers, or you would not be here or remain here. The West, whether it be Idaho, Montana, New Mexico, Arizona, Nevada, or the coastal states, represents the daring, courageous men and women of vision and heart. We live in a vibrant, changing, dynamic section of the United States.

We are a society that is young in heart and spirit but possessed of mature minds.

We are a society which works for education for our children.

We in the West long ago accepted the worth of a man . . . the dignity of the human individual, regardless of his race or his creed.

We in the West long ago learned to rely on our strength of body and the strength of our determination to build a better socicty than the ones we and our forefathers left behind.

Lyndon B. Johnson and his forebears fought the battles of drought and poverty and knew the value of cooperation with his neighbors the same as you.

We of the Democratic Party, under his great leadership, are cutting the chains of bigotry and prejudice by passing various civil rights laws.

We are cutting the chains of ignorance and illeteracy through passing the most comprehensive federal assistance laws to education our nation has ever known.

We are tackling the problem of bringing decent housing to our people and have established a new cabinet-level Department charged with solving this basic need.

Under the leadership of President Johnson we have declared war on poverty. In a land as rich in resources, in brains and energy as ours, we are determined to eradicate poverty by removing the causes of poverty—illiteracy, obsolete job capabilities, disease, lack of opportunity.

We are studying every phase of our economic environment.

We are determined to eliminate the pollution of our rivers and our atmosphere.

We are going to set up a Cabinet-level Department of Transportation. (I am holding hearings now on this bill in my Government Operations Committee), because we know the movement of persons and commodities throughout our Nation must be fluid and efficient.

As our population grows, we cannot afford the luxury or incompetent people or stagnation of movement for people and products.

We know the population of our Nation will jump in the next 35 years from 195 million people to 362 million people.

Again I say the time for meeting the age-old challenges of poverty, disease, ignorance and illiteracy is short. We cannot drift. We cannot hesitate in making pressing decisions fraught with the destiny of humanity.

The population of the world has grown in 1965 years, from the time of Christ, from 250 million people to 3 billion people.

Listen to me carefully—

The population experts predict that it will double, go to *6* billion people by the year 2000. That is 34 years from today!

We must make every year, every month, every day count. We need great leadership and we desperately need intelligent, dedicated support for that leadership. The 89th Congress under great leadership has surveyed the land. We have bought the right of way for the route into the future.

President Johnson has not swept the problems under the rug. He has brought them into the open. He has exposed the weaknesses of our society, while invoking our strength. He has called attention to the cesspools of poverty, crime, disease, special privilege; waste of resources; need for reclamation of land; purification of our water and air and development of our energy resources.

He has proclaimed the need for academic education; the need for vocational training so new skills can replace obsolete skills; so every American can cultivate his capabilities to his full individual capacity; so every American can contribute to his own family's improvement and to the overall advance of our Nation.

The 89th Congress has drawn the blueprint. We will continue to enlarge that blueprint in every Congress of the future . . . with dedication, with energy, and with vision, because we know too well from the annals of history that "where there is no vision the people perish."

We are proud, as workers in the Democratic Party, of our progress in the years since the Great Depression of the 1930's. Our record is an impressive one.

We are pleased that the gross national product has topped 700 billion dollars for one year, but we are determined to go forward.

We are pleased that the unemployment rate has dropped below 4%—a new 12-year low, but we are determined that those still out of work shall have the opportunity of a job.

We are pleased with the new programs for health, housing, education and civil rights, but it will take years of work to bring to fulfillment our policies and programs.

Thirty years ago this month, Franklin Roosevelt said, "I . . . do not believe that the era of the pioneer is at an end; I only believe that the area for pioneering has changed."

My friends, today we, the Democratic people, are pioneering in social and economic frontiers. As we tackle these age-old problems in our domestic society, we are not unaware of problems that beset free men throughout the world.

We are aware that there is a real threat by the communist conspiracy to dominate, one by one, the weak and under-developed countries of southeast Asia. Many of us are fearful that if the formula of communist conquest—infiltration, subversion, terrorism, and guerrilla-armed-force takeover succeeds in Viet Nam, it will set the pattern for a billion people in southeast Asia to succumb to Red Chinese domination.

President Kennedy once said, "Let every nation know, whether it wish us well or ill, that we shall pay any price, bear any burden, meet any hardship, support any friend, oppose any foe to assure the survival of the success of liberty."

And we shall.

We who have been blessed with so much—will continue to build a safer—a freer—a happier world society where small, as well as large, nations will have the right to self-determination of their own form of government and the right to live in peace.

We have, without seeking it, inherited the leadership of the free world. If the free world is to survive, we must accept the great responsibility of world leadership at this moment in history.

In his state of the Union message, President Johnson said:

"This Nation is mighty enough, its people are strong enough, to pursue our goals in the rest of the world, while building a Great Society here at home."

Now I want to talk some practical politics to you, the people of Idaho. The Democratic Party is dominant in the House by 293 members to 139. The Democratic Party is dominant in the Senate by 67 members to 33.

Why have the people of the United States given the responsibility of leadership to the Democratic Party? The answer is contained in this one fact.

The Democratic Party has responded to the changing conditions of our society as it has moved from an 80% agricultural base to a 70% urban base. We Democrats have been alert to the need for change. We have been innovators, yes; we have had the courage to experiment with programs and policies.

I have given you an accounting of some of those programs tonight. But let me state this: the Democratic Party is not an impersonal entity. It is a Party of individuals. The great mass of citizen voters form the base of our Party.

The leaders in Congress and the White House are individuals who come from, and draw their strength from, the millions who comprise the base of our Party. These leaders rise from your farms and your cities. They are educated and work in your communities. They speak again and again to you of their philosophy of government. They pledge to you, again and again, their positions on all the problems of our time.

They reveal their thoughts and purposes in regard to education, reclamation, basic energy costs, labor rights, business rights, agricultural programs, and the great issues of establishing peace in the world and protecting liberty and freedom in this dangerous atomic age.

I know that Ralph Harding has told you of his philosophy, his aims and purposes and dedication to the ideals and programs which mean so much to each of us. Fortunately, because of his four years of service in the House of Representatives, his pledges and purposes have not been made in a vacuum.

Ralph Harding demonstrated, by his votes for four years in Congress on every one of those vital issues, that he was honest in deed as he has been open and frank in his words.

So you are not gambling on promises when you vote to elect Ralph Harding as your United States Senator. You are contracting for a bond of performance based on a record of highest integrity.

Now for the practical politics which you, the people of Idaho, can pursue if you believe in the philosophy of the Democratic Party, if you believe in the philosophy of Senator FRANK CHURCH and your Senator-to-be Ralph Harding.

Your State has less than a million people; but under our great constitution you, the voters in Idaho, have an unusual opportunity to wield—at this time—more power, more prestige, more influence in the United States Senate than either of the great states of California or New York with their respective populations of more than 18 million people.

Let me explain . . . the Senate has 100 members. The majority Democratic Party, which controls programs and appropriations, has 66 members.

Two Democratic Senators from the State of Idaho would represent one thirty-third of the majority power. New York, with one Democratic Senator, represents one sixty-sixth of that power.

California, with two Republican Senators, has no vote among that sixty-six Democratic majority. Therefore . . .

Two Democratic Senators from Idaho, a State with less than one million people, would, by their unified vote, have twice the Senate power of decision which California and New York have with their combined population of 36 million.

I repeat . . . two Democratic Senators from Idaho, representing less than one million people, would, by their unified vote, have twice the Senate power of decision which California and New York now have with their combined population of 36 million!

In your last Senatorial election for an unexpired term, you, the people of Idaho, cast a total of 257,677 votes. By a margin of 4881 votes, you failed to take advantage of your great opportunity to send to the Senate a Democratic partner to work with your great Democratic Senator FRANK CHURCH.

As a Californian, with No Democratic Senatorial representation, let me conclude my remarks by saying:

What an opportunity you, the voters of Idaho, have in the forthcoming election!

With less than the number of voters in my Congressional District, you can obtain twice the power and prestige in the United States Senate of 36 million people in New York and California.

Here in my hand I hold the key to Idaho's greatest opportunity . . . a replica of your ballot marker.

Use it wisely. It is your choice. It is your opportunity for effectiveness . . . for progress in Idaho.

Vote for Ralph Harding!

BILL TO AMEND MENTAL RETARDATION FACILITIES CONSTRUCTION ACT OF 1963

Mr. TUNNEY. Mr. Speaker, I ask unanimous consent that the gentlewoman from Hawaii [Mrs. MINK] may extend her 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 California?

There was no objection.

Mrs. MINK. Mr. Speaker, I am introducing today a bill to amend the Mental Retardation Facilities Construction Act of 1963 in order to permit the construction of classrooms under that act.

At present, matching grants are made under title I, part C, of the act only for construction of physical facilities in institutions that provide comprehensive domiciliary care for the mentally retarded. This amendment would allow similar grants to be made for the construction of classrooms in schools which do not provide such comprehensive services for the retarded.

Mr. Speaker, my State of Hawaii is rightly proud of the great strides it has made in recent years in the treatment of its mentally retarded. The State's Waimano Training School and Hospital has embarked on a vigorous program of assistance to mentally retarded adults and children, ranging from the nonambulatory to the trainable who can, with intensive care, be returned to the community.

In addition, the children's health services division, State department of health, operates a mental retardation program that stresses early detection, diagnosis, care and treatment so necessary to prevent secondary handicaps and emotional problems. Authorized services, besides early diagnosis, include a day-care center, homemaker and home nursing services, and a special comprehensive statewide team evaluation service for children not yet 14 years of age who are suspected of being mentally retarded.

In Hawaii, as throughout the Nation, it is recognized that the primary need of mentally retarded children is the training and schooling that will enable them to develop themselves wherever possible into productive members of society. Frequently, the best way to provide this is through special classes in the public schools.

It has been reported, however, that fewer than 450,000 of the more than 1 million of the retarded children of school age in our country were enrolled in such special classes in 1963.

The problem, I think, is an obvious one. Because of the continuing strain on funds available for school construction, facilities for specialized use must frequently give way to the needs of an ever-growing regular school population.

By allowing use of these Federal funds for construction of special classrooms for the mentally retarded, we will be taking a multipurpose approach to a complex and far-reaching problem.

We will be providing the means for many of the mentally retarded to become self-sufficient, or at least partially self-sufficient, members of their community; thus cutting the cost in the future of their maintenance.

We will be lessening the strain on institutions for the mentally retarded, allowing them to concentrate more fully on those who need their help the most.

We will be freeing funds for other specialized or regular classrooms, which also are urgently needed all over the country.

Mr. Speaker, the Nation is responding magnificently to the opportunities opened by the original provisions of the act. I urge my colleagues to give early consideration to this proposal to further develop these opportunities and to provide mentally retarded children with the care and services they need.

"THE FEDERAL GOVERNMENT AND EDUCATION," A SERIES OF ARTICLES BY ROGER BIRDSELL, EDUCATION WRITER, THE SOUTH BEND (IND.) TRIBUNE

Mr. TUNNEY. Mr. Speaker, I ask unanimous consent that the gentleman from Indiana [Mr. BRADEMAS] 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 California?

There was no objection.

Mr. BRADEMAS. Mr. Speaker, one of the most extraordinary areas of achievement of the 88th and 89th Congresses has been in the area of education legislation.

In the past few years, Congress, with effective leadership from both Presidents John F. Kennedy and Lyndon B. Johnson, has passed a series of measures which have significantly increased the investment of the Federal Government in the most valuable national resource we have, educated men and women.

One of the most thoughtful analyses of the role of the Federal Government in education that I have seen is represented by a series of articles published in June of 1966 by a very able journalist, Roger Birdsell, the education writer of the South Bend, Ind., Tribune.

Mr. Birdsell's articles are based both on his own experience in observing schools and universities in Indiana and on interviews with members of the executive branch who have responsibility for administering education programs and members of congressional committees with jurisdiction over education legislation.

Under unanimous consent I insert at this point in the RECORD Mr. Birdsell's excellent articles:

AID TO EDUCATION NO LONGER DEBATED

(NOTE.—Tribune education writer Roger Birdsell recently spent a week in Washington. This is the first in a series of reports on federal aid to education—Editor Tribune.)

(By Roger Birdsell)

The federal aid camel is now in the education tent and almost nobody in Washington expects his removal.

No one debates the propriety of the federal aid anymore. Rather they argue about how much money should be committed, where it should be directed and how it should be administered.

In a year of mounting Viet Nam war expenditures, the administration asked a modest $200 million increase in U.S. Office of Education expenditures for fiscal 1967, which starts July 1.

At present it looks like Congress will direct the expenditure of an added $400 million, raising Office of Education expenditures from $3.3 billion in fiscal 1966 to $3.9 billion in fiscal 1967, in round numbers.

OTHER EDUCATION FUNDS

(Office of Education expenditures are not the only federal outlays for education. One estimate of overall education expenditures for fiscal 1966, including the Department of Defense, the National Aeronautics and Space Administration and other agencies, is $8.7 billion.)

Generally speaking, Congress is going along with the administration where it maintains or increases expenditures for education but is rejecting cutbacks.

Illustrative of this reluctance to reduce established education aid programs is the continued health of the impacted area program supporting public school systems with a significant number of families employed by defense installations or other federal activities.

Such aid has been given since 1951, and in 1950 Congress gave uniformity to the program in two basic laws, one for building construction aid and the other for operating expenses aid.

VOTES $200,000 STUDY

Last year, at the request of President Johnson, Congress voted a $200,000 study of impacted area legislation by the Stanford Research Institute.

On the basis of this study, the administration this year recommended amendments to the basic laws to correct certain "inequities," which, when coupled with suggested budgetary cutbacks, reduced the fiscal 1967 program from $466 million to about $206 million and eliminated about 1,200 of

the 4,077 school districts now eligible for this aid.

A month ago the House simply rejected out of hand by voice vote the administration request. No one on Capitol Hill expects the Senate to go against the House on this issue.

A popular explanation is that no Congressman will knowingly reduce federal funds for his district and the majority of Congressmen have at least one of those 4,077 impacted school districts in his district.

CALLED OVER-SIMPLIFICATION

Jack Reed, counsel to the general education sub-committee of the House calls this an over-simplification. What was an "inequity" to the Stanford people may not be an "inequity" to the majority of Congress, he pointed out.

Moreover, Reed said, Congress is still convinced children of federal employees should not be penalized because of their impact on a local school district nor should school districts suffer in their tax base because of federal activity.

House Republicans and Democrats united on the impacted areas action, and a similar closing of the ranks defeated administration proposals to sharply reduce school lunch and milk programs for next year and concentrate the remaining effort on needy children.

If Congress is reluctant to cut established aid to education programs, it sometimes balks at funding authorized programs for which many members retain their suspicions, as witness the National Teacher Corps.

MONEY BILL VOTED LATE

Authorized under Title V of the Higher Education Act of 1965, the Teacher Corps simply was not funded until May 10 when a supplemental appropriations bill cleared Congress with $9.5 million for fiscal 1966.

The Office of Education is using this money for 48 training programs this summer, including one at Indiana State University, Terre Haute. Once trained, corps members are to be formed into teams to go into schools with concentrations of disadvantaged children to supplement the work of regular staffs.

However, while Congress finally provided initial funds, the House on May 5 deleted from its regular fiscal 1967 appropriation bill for the Office of Education the entire $31 million request for the Teacher Corps. It remains to be seen whether any funds can be restored in conference with the Senate.

The historian can trace federal aid to education back to the provisions of the Northwest Ordinance of 1787, which set aside land for public schools, and the land-grant state college system which started in the 19th century.

MORE FEDERAL ASSISTANCE

More recently, the camel got a little further in the tent through such legislation as the impacted areas and school lunch acts and assistance to agricultural and home arts education.

Republicans like to point to the National Defense Education Act of 1958 which sought to strengthen education in areas considered essential to the security of the nation through such devices as matching grants for the purchase of school science laboratory equipment.

An indication of the quick acceptance of the NDEA program and its vitality has been its continuous expansion in scope and appropriations by a series of amendments since 1955.

Nevertheless, the complete camel did not finally move into the tent until the assassination of President Kennedy in the fall of 1963. The President died with his major educational proposals pretty well bottled up by the Republican-Conservative Democrat coalition.

FOUR JOHNSON PROGRAMS

Vice-President Johnson, with his long experience as Senate majority leader, moved into the presidency and quickly maneuvered into law the Higher Education Facilities Act, the Vocational Education Act and the Manpower Development and Training Act late in 1963 and the Library Services and Construction Act early in 1964.

Later in 1964, Congress passed the President's Economic Opportunity Act with its many educational features; the Civil Rights Act, one part of which tied educational aid to at least a policy of desegration, and other educational legislation.

Last year, with the Johnson election landslide bringing a relative shift to the left in a heavily Democratic Congress, the administration carried through the Elementary and Secondary Education Act, with its major impact on the public school system; the Higher Education Act, much broader in scope than the 1963 facilities act, and other education bills.

An Office of Education brochure, "The First Work of These Times," lists 19 major pieces of legislation under the Johnson Administration through 1965. Affected are everything from preschool education through the college graduate level.

In two years, from fiscal 1964 to fiscal 1966, Office of Education expenditures have jumped from $700 million to $3.3 billion.

The impact on the local level is indicated by the experience of the South Bend Community School Corp. Excluding the Manpower program which was massive in 1964 because of the Studebaker situation, the 1964 school budget included $59,900 in federal funds. The 1966 budget included $1,870,000.

When the Manpower program, which declined from its 1964 peak, is included, the 1964 figure is $1,483,200 and the 1966 figure, $2,439,000.

CONGRESS PAUSES IN EDUCATION LAWS

(Second of a series)

(By Roger Birdsell)

Congress is taken a breather in federal aid to education legislation this year after the hectic pace of late 1963 through 1965.

The legislative effort this session is concentrating more on amending and extending the basic acts passed in the previous period than in new endeavors.

Secretary of Health, Education and Welfare John W. Gardner said the legislative pause is only natural after a series of programs which put the federal government into education at all levels in a major role. His opinion is shared widely.

Indeed, Gardner believes the normal pace of legislation is slower. "It may not be good policy to continue at the accelerated pace of the last two years," he remarked.

THREE AMEND ACTS

Of the five more or less major education bills expected to pass Congress this year, three amend and extend the Elementary and Secondary Education Act of 1965, the Higher Education Act of 1965 and the Library Services and Construction Act of 1964.

The "Cold War GI Bill," already passed and signed into law, extended educational and other benefits to armed forces veterans in the pattern previously established by the World War II and Korean War "GI Bill."

This leaves the International Education Act of 1966, which is being guided through the House by Rep. JOHN BRADEMAS, South Bend Democrat, as the only relatively new legislation. It would strengthen studies of foreign societies and cultures and international relations in American schools, colleges and universities.

Congress, of course, will continue to control all education programs through the power of the purse as it appropriates or refuses to appropriate funds requested by the administration.

FIRST MASSIVE AID

The federal legislative process in education is aptly illustrated by the Elementary and Secondary Education Act, the first really massive aid program to reach the nation's public and private schools below the college level.

The act has five principal titles. Title I funds special programs designed to aid the economically and social disadvantaged student in schools having concentrations of students from low income families. These are to supplement the regular programs.

Title II purchases library book, textbook and other instructional materials for the schools. Title III finances experimental and "innovative" educational programs in the schools.

Title IV amended the Co-operative Research Act of 1954 to create regional research and development centers in education and to help finance the training of educational researchers. Title V gave direct grants to strengthen state departments of education.

AUTHORITY EXTENDED

The 1966 amendments extend the operational authority of Titles I, II, III and V, which would expire June 30, through fiscal 1970. There is continuing authority for Title IV.

Certain relatively minor changes in the basic law are incorported in the amendments as a result of a year of experience. For example, Indian children, migrant worker children, institutionalized orphans and others are being brought under the scope of Titles I and II.

Finally, the amendments increase authorized expenditures from fiscal 1966 to fiscal 1967 and succeeding years. Title I expenditures, for example, would increase from $959 million for fiscal 1966 to $1,406 million for fiscal 1967; Title II from $100 million to $105 million, and Title III from $75 million to $150 million.

Operational concentration during the first year has been on Title I, with approved projects now nearing the 20,000 mark; an estimated 3.5 million children already affected, and an estimated 7 million to be affected by the end of the year.

PROGRAMS CALLED EFFECTIVE

"Generally, where Title I programs have got under way and where they are able to recruit staff they have been effective, though, of course, there are exceptions," Arthur L. Harris, associate commissioner for elementary and secondary education in the U.S. Office of Education, reported.

"We hope to improve overall quality next year and in July there will be state conferences and then a national conference to discuss ways and means to accomplish this."

Harris said most Title I programs concentrate on the improvement of reading skills and the upgrading of language arts in general.

Harris said the $500,961.78 South Bend Community School Corp. Title I program built around 12 instructional research resource teachers and other staff serving 13 public and eight Catholic elementary and junior high schools is one of the outstanding programs in Indiana. He also cited the $11,960 Baugo Community School Corp. program in Elkhart County.

STAFF SHORTAGES

Title I programs have been approved in 95 per cent of the Indiana school systems and will use about 95 per cent of the fiscal 1966 allotment for the state, Harris reported. He said the principal problem to date appears to be a shortage of qualified staff.

Local school officials concerned with Title I worry about the time it takes Congress to pass the amendments to the basic act and appropriate the necessary funds in light of

their need to plan and staff the program for the 1966–67 school years.

Harris called this worry "more psychological than real." Like almost everybody in the administration and on Capitol Hill, he is certain Congress will continue and fund the program.

CONTROVERSY BROKEN

The basic act passed in 1965 was a result of what has been called "an ingenious arrangement" which broke the church-state controversy deadlock. Until then, Catholic groups fought any new aid to public schools which did not assist private and parochial schools.

Under Titles I and II, funds are given to and administered by the public schools, but the programs they support must equally benefit public, private and parochial school children. Hence, the involvement of eight Catholic schools in the South Bend program.

Mishawaka School City officials have come under attack from Catholic spokesmen as not living up to the spirit or the letter of the law in their Title I remedial reading program. However, Harris said Mishawaka-type problems are relatively few.

Credit for the church-state solution is a matter of some debate in Washington. Brademas gives a lot of credit to the flexible, pragmatic attitude of Robert H. Wyatt, executive secretary of the Indiana State Teachers Assn. and president of the National Education Assn. during 1965. (The solution and the act won the unprecedented support of the NEA, the National Catholic Welfare Council and the National Council of Churches.)

MEET AT DINNER

Another influential factor appears to have been a series of private dinner meetings Brademas helped arrange at which leading public and Catholic school spokesmen sought possible avenues of co-operation and compromise.

While recognizing the importance of the church-state solution, Gardner believes the basic significance of the act is "the solution of a tremendous problem, the directing of money and educational effort into the low income areas."

He said it is a much better method than pumping money in general aid to low income states.

However, not all agree Title I is sufficiently selective of low incomes areas. The Republican minority report on the act in 1965 criticized the provision that 10 or more "low income" students are all that are necessary for a school system to qualify for Title I funds.

EDUCATORS ASSUME POVERTY WAR ROLES

(Third of a series)

(By Roger Birdsell)

Sargent Shriver's mandate to wage war on poverty uses education as one of its major weapons, but educators are a bit uneasy in their role of auxiliaries in this battle.

The role of the educator as an auxiliary appears to be part of the philosophy of people in Shriver's Office of Economic Opportunity, as witness Stanley J. Salett, acting director of the education division for the Community Action Program.

"In a way," Salett remarked, "we are experts on the poor with an overview of the whole problem which the educational and other specialized agencies do not have."

The attitude of OEO personnel is conveniently studied in the Head Start program to give economically and socially deprived pre-school children intensive training to prepare them for regular kindergarten or first grade.

LAUNCHED WITH FANFARE

Launched with considerable fanfare last summer, Head Start has proven one of the most popular of the OEO programs. Despite some administrative difficulties, the full-year and follow-up aspects of the program have been built up to about 182,000 youngsters. This summer's program is expected to enroll 500,000 children.

Head Start is part of the overall "community action" program authorized by Title II of the Economic Opportunity Act of 1964 which created the OEO and gave the agency its mandate.

Head Start has been so successful that OEO officials now regard it as a generating force for a much broader community action program to eradicate poverty.

"Head Start should lead to more comprehensive programming since it is much more than an educational program," Salett declared. Program officials stress education as one of only five aspects of Head Start. Health services, social services, nutrition and parental involvement are the others.

PROVIDE READING IMAGE

From the OEO viewpoint, it is perhaps more important to reach the parent than the child; for example, the parent is encouraged to take out a public library card and read books to provide an image of reading as a part of life for the child.

Similarly, there is considerable OEO interest in training adults in poverty areas to be teacher aides, not only for Head Start but other educational programs.

Salett conceives of OEO and its component community agencies like ACTION, Inc., in St. Joseph County, as planning and directing the overall assault against poverty but delegating whenever possible actual operations to local school systems and other agencies.

Not everyone buys this view of OEO as a sort of paramount chief delegating operational authority to others at either the federal or the local level.

DISPUTED BY BRADEMAS

Rep. John Brademas, South Bend Democrat, said this simply was not the intent of Congress in passing the Economic Opportunity Act. The action a month ago on the OEO budget for fiscal 1967 by the House Education and Labor Committee, of which Brademas is a member, appears to bear this out.

The committee, while maintaining the $1.7 billion level of spending asked by President Johnson, put a lot more restrictions on the ways in which the funds can be spent than requested by the administration.

Title II community action funds were trimmed by more than $100 million to $827.5 million and all but $323 million was earmarked for specific programs, the bulk, $352 million, going to Head Start.

The committee directed that $496 million, more funds than asked by the administration be spent on the Neighborhood Youth Corps programs such as the Step program administered by the South Bend Community School Corp.

ADMINISTERS YOUTH CORPS

By agreement with the OEO, the Department of Labor administers the Neighborhood Youth Corps, which provides counseling and jobs designed to allow youths from poor families to continue their schooling while remaining at home. (The Job Corps is another OEO program which removes youth from the home environment to residential training centers such as Camp Atterbury in Indiana.)

There is a tendency to divorce programs under the Economic Opportunity Act from the OEO even more completely. Congress has already assigned responsibility for college work-study programs to the Office of Education and is in the midst of a similar transfer of the adult basic education program this year.

Earlier this year there was talk in Washington of putting Head Start and the Upward Bound program under Office of Education direction, but this has not materialized.

Upward Bound is designed to encourage bright high school students from poverty areas to go to college. After a pilot effort last year, the program swings into full action this summer. The University of Notre Dame is one of 222 centers reaching 20,138 students in this effort.

FAVOR ITS TRANSFER

Whatever the feeling on Capitol Hill, and many like Rep. ALBERT H. QUIE, R-Minn., of the House Education Committee favor the transfer of Head Start, the administrative offices involved are making a definite effort at co-operation.

President Johnson early this year established an inter-agency co-ordinating committee in education which was chaired until his recent resignation by Francis Keppel, assistant secretary for health, education and welfare and former commissioner of education.

The Office of Education and the OEO in March reached agreements on co-operative procedures in the administration of Head Start and other community action programs and Title I of the Elementary and Secondary Education Act.

Title I, administered by the Office of Education, is by law directed towards economically deprived children in public and private schools. Co-ordination with community action programs is also directed by law.

USED FOR MEDICAL SERVICES

Arthur L. Harris, associate commissioner for elementary and secondary education, said some communities are using Head Start funds for medical and other services and Title I funds for staff salaries.

Nevertheless, the final decision on Title I programs remains with state departments of education, and Harris and other officials said the amount of co-operation remains on a voluntary basis.

Commissioner of Education Harold Howe II agreed conflict is quite possible between local community action and educational authorities, but he said this is "not necessarily unhealthy. Something good could develop from such jarring actions; new perspectives could be gained."

FUNCTIONING OUTSIDE

Secretary of Health, Education and Welfare John W. Gardner agreed with Howe that inter-agency co-operation at the federal level is working fairly well, but he cautioned "there is a rather basic problem in that the OEO is functioning outside the normal institutional structure of the government."

Shriver's agency reports directly to the President and retains much of the flavor of President Kennedy's New Frontier days. There is a crusading spirit at work in the OEO of an intensity one does not sense in the older, more established agencies.

Shriver, of course, is a brother-in-law of the late President and captained that first great and successful New Frontier effort, the Peace Corps. Under him, the OEO remains very much a part of the federal effort in education.

SCHOOL RESEARCH EMPHASIS SHIFTED

(Fourth of a series)

(By Roger Birdsell)

Research and development promises to be very big this coming year in the federal aid to education picture.

U.S. Commissioner of Education Harold Howe II promised "new ideas and new excitements by the end of the year" as a result of this "shift of emphasis."

Officials of the Office of Education hope to harness Titles III and IV of the Elementary and Secondary Education Act of 1965 in tandem to speed research results to the classroom.

The time lag betwen educational research and actual application in the classroom has

been notorious in the past, Howe pointed out, as indicated by the slow seepage of such innovations as team teaching and nongraded elementary schools.

ONE PER CENT OF COST

Federal officials point out that research accounts for less than 1 per cent of total annual education expenditures of $42 billion in the U.S. while private industry allocates up to 10 per cent or more for research and development.

Title IV of the 1965 act amended and expanded the Co-operative Research Act of 1954 to finance a series of regional educational research laboratories and to expand the training of educational researchers.

The Office of Education is now in the process of establishing 20 of these regional laboratories under Title IV. Indiana is included with Illinois and parts of Wisconsin and Michigan is the laboratory just established at the University of Illinois, Urbana.

R. Louis Bright, associate commissioner for research, said the regional laboratory "is a new organization in which we are insisting on a wide representation of all educational institutions in the area. In many ways, it is bringing these people together for the first time.

ACTIVITIES CENTRALIZED

"They are being asked first to identify a major problem in their area, then to develop a program to meet the problem and finally to bring the results down to the classrooms by programs of demonstration."

In an effort to strengthen research generally, all such federal activities early this year were centralized in Bright's office. Authorized under seven different acts, research expenditures are expected to jump from $104 million for fiscal 1966 to $117 million for fiscal 1967. Ten years ago federal educational research expenditures were only $1 million.

Of the fiscal 1967 expenditures for research $70 million will be under Title IV, with about half going to the regional laboratories and about half for the training of researchers.

"In a sense we are engaged in centralization through the creation of the research office and in decentralization through the creation of the regional laboratories," Bright remarked.

BROADER COMMUNICATION

He said his office will seek to develop effective communication between the various regional laboratories so research dissemination can be nation-wide.

Each laboratory, in turn, is expected to disperse various individual research projects among a number of co-operating institutions and individuals. Bright said the laboratory is to be more a clearing house for ideas and projects than a physical facility.

Tie-in of research with Title III projects is a major goal, Bright said. Such tie-ins are expected to hasten the process of getting research findings into the practice of education, he explained.

Title III channels funds into local educational public school programs which are innovative in the sense of meeting needs which local school officials feel are not being met through the regular program.

Congress appropriated $75 million for Title III for fiscal 1966 and there is every expectation this figure will be doubled for fiscal 1967.

Arthur L. Harris, associate commissioner for elementary and secondary education, said "the emphasis this past year has been placed deliberately on the planning of projects which when finally launched will be operated on the basis of a thorough analysis of needs.

"This slower process is indicated in the very language of Title III. Otherwise, we would run the danger of duplicating the Title II program by simply acquiring more materials." (Title II provides funds for library books, textbooks and other instructional materials.)

Harris expects districts planning programs under Title III this year to move them into the operational stage this coming year. He also expects other districts to launch acceptable programs.

Federal officials insist Title III projects be truly innovative and meet a definitely identified need, and Harris admitted this poses problems of administration. (The South Bend Community School Corp. recently was turned down on its first Title III application, a series of concerts for school children by the South Bend Symphony Orchestra.)

SOME MISUNDERSTANDING

Harris said there seems to be some misunderstanding about "innovation." Programs do not have to be "brand new," he insisted, but "rather new to the particular district in which the program will operate."

Some Congressmen, particularly on the Republican side, dislike Title III because it gives funds directly to local school districts rather than channelling them through state departments of education, as is the case in Titles I and II of the act.

Howe noted that in several states state education authorities are helping plan Title III programs though the local district retains the power to by-pass the state agency.

Howe defended the practice of giving some Federal funds directly to local school districts as provided "a healthy degree of counter-balance."

SHOULD BE STRENGTHENED

A similar view was expressed by Howe's superior, Secretary of Health, Education and Welfare John W. Gardner. State departments of education should be strengthened, as is being done under Title V of the act, Gardner commented, "but I wouldn't go so far as to make a fetish out of it."

This pragmatic attitude is shared by Rep. JOHN BRADEMAS, South Bend Democrat who is a ranking and influential majority member of the House Education and Labor Committee.

"I think federal aid to date represents a vast vote of confidence in our local school districts," Brademas remarked.

"I am clearly in favor of increasing the effectiveness of state departments of education and personally made the motion last year to increase Title V funds to accomplish this.

"While I feel very strongly about this, the purpose of Title II is experimental and state departments in the past have been notably weak in this regard. I feel it would be a mistake, therefore, to give them a veto power over these programs."

U.S. COLLEGE AID BECOMES GENERAL

(Fifth of a series)

(By Roger Birdsell)

A condition of general aid to education by the federal government is rapidly becoming a reality for American colleges and universities.

"If you look at all the federal aid programs benefiting higher education, there is a mosaic of general aid in operation," Peter P. Muirhead said.

Muirhead, associate commissioner for higher education in the U.S. Office of Education, noted a basic trend of Congress in the past few years to rapidly "broaden the base" of aid programs.

An example of this trend, he said, was the removal in 1965 on construction grants and loans for undergraduate academic facilities of the 1963 limitations which specified they must be for the teaching of science, mathematics, modern foreign languages and engineering.

The 1963 act was called the Higher Education Facilities Act. In 1965 it was amended, broadened and incorporated as only one of seven major titles in the new Higher Education Act.

ONLY ONE ASPECT

The 1965 act is only one aspect of the total higher education aid picture. Colleges and universities are also assisted by the amended and expanded National Defense Education Act of 1958 and the massive research and training programs of the Department of Defense, the National Aeronautics and Space Administration, the National Science Foundation and other agencies.

The University of Notre Dame, for example, now receives more than $4 million annually in federal research money, which accounts for about four fifths of its total research effort.

Additionally, Notre Dame annually receives more than $400,000 for undergraduate loans and grants, more than $600,000 for graduate fellowships and more than $1 million for teacher training institutes, conferences, scientific equipment and other programs.

Notre Dame's $2.2 million Radiation Laboratory was built entirely by Atomic Energy Commission funds. Indiana University is getting matching grants of more than $200,000 under the 1965 act for the expansion of the physical plant and equipment at its South Bend-Mishawaka campus. A federal loan made possible St. Mary's College new $4.5 million dining and residence halls.

GREATER BOOSTS SEEN

Congress gives every sign this year of substantially increasing for fiscal 1967 the appropriations for the Higher Education Act programs, which received $680 million in funds for fiscal 1966.

The House recently sent to the Senate a bill incorporating $403.9 million in partial appropriations under the act with every program but one, community service and continuing education, receiving substantial increases over fiscal 1966. This did not include the ill-fated National Teacher Corps, for which no funds were provided.

This House bill did not include two major titles, III and VII. Amendments are still before the House of extend programs under these titles through fiscal 1967 and authorize increased expenditures.

Title III provides special financial assistance to smaller and developing institutions of higher learning. The proposed fiscal 1967 authorization is $30 million as compared to the $5 million fiscal 1966 appropriation.

Muirhead said fiscal 1966 money under Title III is handling only a fraction of the 309 fund requests and even with $30 million for next year, total demands will not be met.

ENCOURAGES EXCHANGES

Faculty exchanges, co-operative programs with other schools and teaching fellowships are being encouraged under Title III. Junior colleges get 22 percent of these funds, with the rest going to four-year institutions.

Title VII is the grant and loan program for facilities. The amendments propose to continue at the same annual level the $460 million undergraduate and $60 million graduate grant expenditures but increase the loan appropriation by $90 million to $200 million.

Muirhead said the system of processing facility grant and loan requests through special state commissions is working out very well. He said the system provides a necessary element of local control within the allotment to each state.

Direct financial assistance to the student at the college of his choice remains the cornerstone of the federal aid effort in higher education. It is a form of aid which has met general acceptance since the World War II "GI Bill."

Muirhead estimated that about 20 per cent of undergraduate students in the country

now receive federal financial aid in some form. He predicted this percentage will rise to 30 to 35 per cent in the next few years.

HELP MORE THAN HALF

More than half of the nation's graduate students are receiving some form of federal financial assistance Muirhead said.

Student financial assistance employs what Muirhead called the "three-legged stool approach" of outright grants, work-study grants and loans.

All three are provided under Title IV of the Higher Education Act. House action has already increased the appropriation for the direct educational opportunity grant, aimed at the low-income student, from $60 million to $123 million for fiscal 1967 and the work-study program from $40 million to $143 million.

The guaranteed loan program appropriation is being increased from $10 million to $43 million while the direct student loan program under the National Defense Education Act is being maintained, by House action at its present level with a $190 million appropriation for fiscal 1967.

House action on direct loans ran counter to President Johnson's request that a definite move be taken this coming year to phase out the direct loan system in favor of the guaranteed loan.

USE PRIVATE MONEY

From a fiscal standpoint, the guaranteed loan program attracts because it shifts the main funding burden from the federal treasury to the private money market by making the loans through banks and other financial institutions.

In a year of budget strain from the Viet Nam war, this had its attractions for the administration. Moreover, the guaranteed loan program had the enthusiastic endorsement of the American Bankers Assn.

However, many Congressmen regarded the administration proposal, to use the words of one Capitol Hill observer, "as a rabbit out of the hat trick to balance the budget."

Moreover, Congressmen began getting anguished cries from college financial aid officers across the country who were already well into planning for the 1966–67 year with direct loan funds.

In addition, there were arguments the banking industry was not really ready to take over the loan program, the tight money market was unfavorable to guarantee loans and poorer students would find it difficult, if not impossible, to secure bank loans even with the federal guarantee.

VOCATION SCHOOLING POLICIES SHOW CLASH

(Sixth of a series)

(By Roger Birdsell)

Vocational education in Indiana presents a reasonably good example of problems which arise when changing federal and state policies have trouble meshing gears.

The Vocational Education Act of 1963 was one of the first moves Congress made when it began its massive entry into the federal aid to education field. The act did three things.

It set up a permanent program of financial aid for vocational education of high school students, recent high school graduates training for jobs, workers seeking retraining and handicapped persons.

The permanent program also included funds for the construction of area or regional vocational schools on a matching basis, "ancillary services and activities" and special research and training programs.

EXPERIMENTAL SCHOOLS

The act authorized four-year programs of work-study grants for vocational education students and the development of experimental residential vocational schools, the latter of which have yet to be funded or established.

Finally, the act continued the older Smith-Hughes and George-Barden acts aiding agriculture, home economics and certain other specified occupational fields but so relaxed these categorical restrictions as to permit the states to freely transfer these funds for other vocational purposes.

The permanent program channeled funds through the states and required each state to file a master program plan with the U.S. Office of Education. This was the point where the program in Indiana went awry, at least for a while.

Early in 1965, the Indiana General Assembly, apparently unhappy with the direction vocational education was getting in the State Department of Public Instruction, created a sort of super-agency, the State Board of Vocational and Technical Education.

CHANNELS FEDERAL FUNDS

This board was given the power to receive all federal vocational funds and channel them either through the General Commission of the public instruction department or the independent Indiana Vocational Technical College.

The college has been created by the legislature in 1963 but was not funded until 1965. The state vocational board was to become operative this last Jan. 1.

The result of all this was delay in submitting a state plan under the 1963 federal act, and it was not until this spring that funds under the permanent program began clearing through the vocational board.

Moreover, the Indiana arrangement has resulted in an intense competition between the public instruction department and the college for the available federal funds.

GIVES $400,000 TO COLLEGE

Thus, in April, the vocational board gave $400,000 to the college to help build a regional vocational school in South Bend and other federal monies through the public instruction department to school systems in cities like Michigan City for expansion of vocational school facilities.

Vocational education officials in the U.S. Office of Education are cautious in commenting on the Indiana arrangement, but they obviously aren't very happy about it. In particular, they don't like the competitive atmosphere.

However, there is little federal officials can do. Congress channeled the vocational funds through state agencies and it is the prerogative of the state to set up its own administrative structure.

Congress is giving the 1963 act full support. A fiscal 1967 appropriation bill which recently cleared the House included $290 million for vocational education, $39 million more than requested by the administration and funding the permanent program at its full authorization for the first time.

ONLY ONE SERIOUS COMPLAINT

Edwin Rumpf, chief of the state vocational services branch of the Office of Education, had the operation of the act, the work-study program.

The act places specific limitations on the wages a vocational student may receive under the work-study program which are lower than the federal minimum wage law, which is the standard applied in college work-study programs under the Economic Opportunity Act.

As a result, Rumpf said, the vocational work-study program has never reached the size authorized by Congress. He is hopeful uniformity can be achieved when Congress reviews the work-study program for which authorization expires at the end of fiscal 1967.

Rumpf sees no basic conflict between the vocational programs of his office and the Manpower Development and Training Act of 1962 which is administered by the U.S. Department of Labor.

PROVIDES FOR RETRAINING

The Manpower Act provides for the retraining of workers who lose their jobs because of technological change or situations such as happened in South Bend when Studebaker Corp. shut down auto production here. (The South Bend program was one of the first under the act.)

Manpower programs provide training for specific job skills for which there is a demand * * * officials. Trainees are paid the equivalent of unemployment benefits while in training.

Rumpf said the Manpower program started out as a sort of temporary program but is becoming a permanent feature of the vocational education effort.

The need for such a retraining effort is suggested, Rumpf said, by studies which show, for example, that the worker now in the 20–24 age group can expect an average of 6.6 job changes during his working life.

Congressional support of the Manpower program was reflected in 1963 and 1965 amendments which strengthened and broadened the program. House appropriation action for fiscal 1967 included the full $400 million requested by the administration.

BRADEMAS SEES EDUCATION BILL TO 198–89 VICTORY IN HOUSE

(Seventh of a series)

(By Roger Birdsell)

Rep. JOHN BRADEMAS, D-Ind., last Monday had the great personal satisfaction of steering the International Education Act of 1966 to House Passage by a 198–89 vote.

The only major new educational legislation to have administration backing this year, the act undoubtedly is a Brademas bill if anyone's.

Senate passage appears assured with the sponsorship of Sen. WAYNE MORSE, chairman of the subcommittee on education in that branch of Congress.

BRADEMAS co-sponsored the proposal in the House along with Rep. ADAM CLAYTON POWELL, D-N.Y., chairman of the Education and Labor Committee, and headed the Task Force on International Education of the committee.

As first speaker in the floor debate Monday, BRADEMAS said "the unanimous bipartisan vote" the bill received in committee "shows a widespread awareness that American colleges and universities need more support in the field of international studies and research."

RELY ON COLLEGES

The South Bend congressman went on to say, "Over the last two decades, the federal government has relied very heavily on our colleges and universities for personnel, knowledge and expertise in world affairs. But this reliance has not brought with it adequate support to strengthen these institutions for the future.

"Our total national output of Ph.D's specializing in the Chinese language—and in today's world this is no ivory tower subject—has been averaging one every four years. It is easier to study Arabic or Hindi in this country than Portuguese despite the proximity and importance of Brazil, with a population of 80 million and a land area larger than the United States.

"The International Education Act will not remedy all our shortcomings in knowledge of other countries and international problems, but this measure will make possible crucial assistance to American colleges and universities in this life or death field."

AUTHORIZES GRANTS

The act authorizes grants of federal money to graduate centers of research and training in international studies; to comprehensive

programs to strengthen and improve undergraduate instruction in international studies, and to professional and scholarly public and non-profit private organizations which can further international studies.

A five-year authorization of expenditures for these purposes earmarks $10 million for fiscal 1967, $40 million for fiscal 1968, $90 million for fiscal 1969 and such sums as Congress may grant for the last two years.

In addition, the act calls for an annual report to Congress on international education by the Department of Health, Education and Welfare and amends Title VI of the National Defense Education Act of 1958.

FINANCES CENTERS

Title VI finances modern foreign language training centers at colleges and universities. The amendment strikes from the act the requirement such centers teach languages "not readily available," eliminates the matching requirement for funds, and provides grant as well as contracting authority.

BRADEMAS and others involved in the legislation stress the fact that the bill, despite the possible ambiguity of its title, is a domestic bill aiding American colleges and universities, not foreign institutions.

Nevertheless, the official report on the bill to the House as a whole said "useful effects . . . would be to increase substantially the supply of experts in international affairs, international development and the languages and cultures of other nations to serve in business, government, academic and other fields at home and abroad."

An indication of the close personal interest of BRADEMAS in the bill is the fact he virtually co-authored the language of the official report with Peter N. Gillingham, chief counsel to the task force. Such authorship is considered unusual in Washington.

TRACED TO JOHNSON TALK

BRADEMAS traced the impetus for the bill back to President Johnson's Smithsonian speech of last September in which the President expressed a concern for improving international studies in this country and related needs.

An administrative study group, including Secretary of State Dean Rusk and Secretary of Health, Education and Welfare John W. Gardner, was appointed, and their findings found expression in a Johnson message to Congress Feb. 2. BRADEMAS introduced his bill the next day.

The act as now passed by the House incorporates only a part of the program proposed by the President in his message. Other proposals are being implemented by executive order and amendments to existing legislation.

These other proposals include creation of a center for Educational Co-operation with an advisory Council on International Education in Gardner's department; creation of a corps of education officers in the U.S. Foreign Service, and establishment of a placement service to assist Americans teaching abroad.

WILL USE ALL AGENCIES

The President plans to use not only the Department of Health, Education and Welfare but the State Department, the Peace Corps and the Agency for International Development to further his program.

Gardner said the program as a whole "is a very significant development," though relatively inexpensive, which "in the long run will put the HEW into a very key role in the international education picture."

The hearings of the BRADEMAS' House task force on the act itself were "all sweetness and light," Gardner said, a rather unique atmosphere on Capitol Hill.

BRADEMAS said this atmosphere was created by careful staff work. Each task force member, Republican and Democrat, was invited, for example, to have at least one expert witness from his home district.

Herman B. Wells, chancellor of Indiana University, Bloomington, served as chief educational consultant to the task force, and BRADEMAS said Wells was invaluable in lining up an impressive parade of witnesses in support of the bill.

All Republicans on the full committee supported the bill, though in their "supplemental views" to the official report they stressed the bill as a "logical extension" of the NDEA passed under President Eisenhower.

FITS INTO PHILOSOPHY

Rep. ALBERT H. QUIE, R-Minn., a committee and task force member, said the act fits well into the Republican philosophy of "federal aid in those areas where the federal government has the primary responsibility."

"After all," QUIE remarked, "we can hardly expect our local or state institutions to be concerned primarily with African problems or the promotion of the foreign policy of the United States."

BRADEMAS said the task force was not simply a rubber stamp for the administration. Members, he pointed out, increased the fund authorization and inserted the provision for an annual report to Congress.

For BRADEMAS personally the act represents "a natural marriage of my early and continuing interests in both foreign affairs and education."

These interests were buttressed, he said, by his Greek heritage from his father; studies in international relations and Spanish affairs at Harvard University; study as a Rhodes scholar at Oxford University, England, and visits as a Congressman to educational institutions in Latin American, Europe and Russia.

BRADEMAS is ranking majority member, next in line to the chairman, of both the general and special subcommittees on education in the House.

RACIAL PATTERNS SHOW LITTLE CHANGE

(Eighth of a series)

(By Roger Birdsell)

The federal effort in education has not substantially changed patterns of racial segregation in the schools, nor does it appear likely to do so in the immediate future.

The historic 1955 U.S. Supreme Court decision on discrimination in the public schools struck down de jure segregation or separation of the races by deliberate public policy.

The 1964 Civil Rights Act sought, among other things, to hasten the process of eradicating lingering de jure segregation in the South by permitting the Justice Department to bring suit on behalf of individuals suffering from such segregation.

STRIKES OUT REQUIREMENT

The Civil Rights Act of 1966, now being debated in Congress, would amend this part of the 1964 act to make it easier for the Justice Department to act, particularly by striking the requirement that the department must wait for a written complaint by the individual in question.

Furthermore, the U.S. Office of Education has the power, and this year is starting the process of exercising it, to cut off all federal aid to school districts which practice racial discrimination as a policy.

However, even with the most vigorous administration of existing law, few observers in Washington expect much more than a conversion of the South to the de facto segregation pattern of the North.

Unless the courts or Congress change federal law, mere existence of a pattern of segregation resulting from neighborhood schools or other practices is not illegal.

PROVEN AS DELIBERATE

Decisions like that of U.S. District Judge George N. Beamer in the Gary school case make it clear that segregation must be proven deliberate school board policy before it is unlawful.

Representative JOHN BRADEMAS, South Bend Democrat and a member of the House Education and Labor Committee, said "de facto segregation is one of the most pressing and difficult problems facing the public schools and I see no immediate answers."

Secretary of Health, Education, and Welfare John W. Gardner said the Civil Rights Act "does not provide a very strong base" from which to attack the problem.

He said "puzzlement may be the honest stance" when it comes to suggesting effective federal solutions to the problem.

Senator EDWARD M. KENNEDY, Democrat, of Massachusetts, has introduced a bill, apparently going nowhere in this session, which is designed to offer positive incentives to local districts desiring to end de facto segregation.

The Kennedy bill would give technical assistance in designing desegregation plans; arrange special training for affected teachers and other personnel, and finance various projects seeking to end racial imbalance.

Gardner saw merit in the Kennedy proposal and BRADEMAS said, "I would think there is a great deal to be said for a positive effort to persuade and even reward local school districts in solving this problem, at least at the outset."

U.S. Commissioner of Education Harold Howe II was somewhat less optimistic. He said the Kennedy proposal may have some "useful devices" but would, in his judgment, only "dent" the problem.

QUIE DIFFERS ON PROCESS

Representative ALBERT H. QUIE, Republican, of Minnesota on the other hand, believes existing civil rights legislation provides the means by which Negroes can use the political, economic and social processes to solve the segregation problem without federal intervention.

Indeed, QUIE, a colleague of BRADEMAS in the House committee, said, "It is good that people are thrust into the position of securing their rights at the state and local levels."

The Brademas-Quie divergence on the segregation problem reflects a strong, underlying philosophical split that runs through the entire area of the federal role in American education.

CALLED STATE RESPONSIBILITY

QUIE holds to a basic view of "education as a state responsibility." While not opposed to federal aid to education, he would rigorously channel it through the states in recognition of this responsibility.

Moreover, QUIE said federal control of educational policy is a danger, particularly in those programs where state agencies are bypassed and aid given directly to the local school district.

Finally, QUIE would convert as rapidly as possible to a federal program of general aid to education going through the states to the local school districts.

He dislikes the present pattern of expenditure of federal funds for specific purposes such as for poverty-stricken children; for books and other instructional materials, and for "innovative" programs in the Elementary and Secondary Education Act of 1965.

"BECOMES DISCRIMINATORY"

"The federal purpose in the present legislation should be accomplished in five years," QUIE remarked, "if not, the legislation becomes discriminatory against those not directly affected."

QUIE believes general aid is politically possible without raising the church-state controversy by expanding the formula devised for the 1965 act which gives federal money to public schools with the direction of the programs being shared with the private and parochial schools.

BRADEMAS, on the other hand, is not nearly as confident about the religious formula since it is restricted to shared programs. He sees renewed conflict based on a call for direct general aid to both public and private schools as a distinct possibility.

DISCOUNTS DANGER OF DICTATION

The existing policy of federal aid to attack specific educational problems has a basic appeal for BRADEMAS. He discounts the danger of undue federal dictation to local school districts.

"What concerns me is the need to be assured that the substantial monies being given to the local school districts are spent effectively," Brademas said.

"It is for this reason that Congress must take a look at the programs supported by federal aid. If they are not effective, then we should stop spending the money in these ways and put it in some other more effective program."

FAIR PACKAGING AND LABELING BILL

Mr. TUNNEY. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. THOMPSON] 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 California?

There was no objection.

Mr. THOMPSON of New Jersey. Mr. Speaker, I have today introduced a fair packaging and labeling bill identical to H.R. 15440, introduced June 2 by the gentleman from West Virginia, the distinguished chairman of the Committee on Interstate and Foreign Commerce [Mr. STAGGERS].

I have introduced the bill in my own name to underscore my support for the idea that the consumer is entitled to a higher degree of accuracy in the seller's claims about the wares he is offering in the marketplace. I also believe this bill will provide for protecting the rights of the seller of items covered by this legislation through due-process procedures.

Under unanimous consent, I insert in the RECORD a brief analysis of H.R. 15440, as introduced by the gentleman from West Virginia [Mr. STAGGERS]:

EXPLANATION OF H.R. 15440: FAIR PACKAGING AND LABELING BILL, INTRODUCED BY CONGRESSMAN HARLEY O. STAGGERS

H.R. 15440 directs the Secretary of HEW, and the FTC to promulgate regulations to insure that the labels of packages of consumer commodities adequately inform consumers of the quantity and composition of the contents, and facilitate price comparisons.

—identity of the commodity and the name and place of business of the manufacturer, packer, or distributor would be required.

—a separate and accurate statement of net quantity of contents (in terms of weight, measure or numerical count) would be required.

—the net quantity of contents of a package containing less than four pounds or one gallon would be required to be expressed in terms of weight or fluid volume in ounces or in whole units or pounds, pints or quarts, i.e., 19 ounces in place of 1 pint 3 ounces.

—minimum standards with respect to location and prominence of the statements of net quantity of contents would be established.

—qualifying words or phrases, such as "giant pint", which exaggerate net quantity, would be prohibited.

H.R. 15440 provides authority for the Secretary of HEW, and the FTC to promulgate regulations on a commodity line basis when necessary—

—to require sufficient ingredients or composition information to be placed conspicuously on the package.

—to prohibit cents off sales when not really cents off to consumers.

—to set standards defining size nomenclature relating to quantity such as "small," "medium," or "large."

—to set serving standards to enable the consumer to compare competing products.

—to prevent packages of sizes, shapes or dimensional proportions which are likely to deceive consumers.

H.R. 15440 provides for the establishment of weights and quantities standards to facilitate price per unit comparisons.

—offers industry and consumers opportunity to set standards for weights and quantities through the voluntary product standard program of the Department of Commerce.

—prohibits the promulgation of any regulation that would vary from a voluntary product standard.

—exempts weights or measures less than two ounces.

—exempts packages of particular dimensions or capacity customarily used unless likely to deceive.

—exempts particular dimensions or capacities of returnable or reusable glass containers for beverages which are in use as of effective date of Act.

H.R. 15440 provides for due process procedures in the promulgation of regulations.

—the bill incorporates due process safeguards which provide assurance of adequate notice, and ample opportunity for hearing in the administrative process of promulgating regulations.

—in addition regulations promulgated by the Secretary of HEW, or the FTC are subject to judicial review.

CHIEF PANAMANIAN TREATY NEGOTIATOR: "AN ACKNOWLEDGED MARXIST INTELLECTUAL"

Mr. TUNNEY. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. FLOOD] 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 California?

There was no objection.

Mr. FLOOD. Mr. Speaker, since the acquiescence by the executive branch of our Government to radical demands by Panama to renegotiate the 1903 Canal Treaty, many thoughtful citizens of the United States have wondered why Panama, which has been benefited so greatly by the Panama Canal, should seek a new treaty.

The explanations offered are varied and many of them questionable. Two of the most often repeated objections to the present treaty are its "sovereignty" and "perpetuity" provisions, which have been used by Panamanian politicians to inflame the Panamanian people to a high degree of emotionalism.

In this connection, these politicos never point out that the "perpetuity" feature applies with equal force to the United States, and that as long as our country retains the powers of sovereignty over the Canal Zone, the independence of the Republic of Panama is guaranteed.

The chief of the Panama team in the current diplomatic negotiations is Dr. Diogenes de la Rosa, an "acknowledged Marxist intellectual and long-term socialist." He has frankly stated that the task for Panama after finishing the negotiations is "to remake the state from within, revise its institutions and rectify its method of conducting public affairs." He then emphasizes that if this is not done, "any benefits from the negotiations would lose all significance."

The meaning of such pronouncement is obvious. The canal is to become the source of still more extensive benefits for Panama, and this can be done only by revenue from greatly increased transit tolls or by further taxation of the American people.

Unfortunately, the shipping industry of the United States has not been alert to what has been transpiring on the isthmus, no one in the Senate has spoken out in defense of our country's interests, and the taxpayers of our Nation are not organized.

A recent article from Panama City, Republic of Panama, by Ralph Skinner, a longtime resident of the isthmus and distinguished correspondent of the Christian Science Monitor, gives new light on the subject of why Panama seeks a new treaty and is commended for reading by every Member of the Congress.

The indicated article follows:

WHY PANAMA SEEKS NEW PACT

(By Ralph K. Skinner, Special correspondent of the Christian Science Monitor)

PANAMA CITY.—It is important that Panama come to an agreement with the United States on a canal treaty, says Dr. Diogenes de la Rosa, chief Panamanian treaty negotiator.

An even more important job for Panama, he says, is "to reconstruct our national life from bottom to top, economically, socially, and politically." He has been addressing various groups throughout the country, briefing them on the larger meaning of the upcoming treaty and its potential for transforming the whole future of Panama.

Dr. de la Rosa said: 'The first task, after treaty negotiations are finished, is for the people of Panama to remake the state from within, revise its institutions, and rectify its method of conducting public affairs. If this is not done, any benefits from the negotiations would lose all significance."

The Panama intellectual says that he is chiefly aiming criticism at the groups here who control commerce and industry and use their political power to safeguard vested interests and to rotate selected officials.

Dr. de la Rosa accused these groups of callous exclusion of the laborer, farmer, and humble artisan, as well as the emerging middle class, from participation in national planning, policymaking, and opportunity.

AN OFFENSIVE NOTE

As an acknowledged Marxist intellectual and long-term socialist, as one who has tried to improve labor codes in several Latin-American countries, this is offensive to Dr. de la Rosa's philosophy and his sense of what is good for Panama and its citizens.

Asked if he expects much support in these radical changes from the government, he replied: "Any fair or honest Panamanian of whatever position or background must recognize that we cannot go along as we have for the past 60 years, if we have in mind the interest of our country."

Asked about leadership in these needed reforms, the Panamanian negotiator said: "There does not exist in Panama at this mo-

ment any political party able to do this task. Existing parties belong to a past which is dead and must be buried. No political party here is organized in terms of reference to our very real national problems. Political parties talk the language of failure, suspicion, and jealousy. What is needed is clear language to express and find solutions to the problems we are confronting now."

He added: "When I think in terms of reforms, I think of a national movement rather than political parties. We need a new national conscience to face the future."

The negotiator termed "unpredictable" the length of time to develop this national movement. He said: "When and *if* the people understand, they will react rapidly. There are many groups who do not wish the people to understand, to protect their own interests. For example, most newspapers won't help because it would be against their interests, but there are presently some other media which would help."

Regarding leadership for this national movement, Dr. de la Rosa confirmed that presently there exist no leaders of this capability, but he expressed confidence that the national reform will create and produce its own leaders. He said this has been a historical fact on many occasions in many countries.

A WALK FOR DECENT WELFARE

Mr. TUNNEY. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. SWEENEY] 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 California?

There was no objection.

Mr. SWEENEY. Mr. Speaker, as Congressman at Large for the State of Ohio, I am sad to report that this morning at 7 a.m. in my State, a march began from Cleveland, Ohio, to the State capitol at Columbus, Ohio, called, A Walk for Decent Welfare. I am sad because of the fact that the citizens engaged in this public effort have for many years been registering appeals concerning the inadequacy of the allowances for welfare recipients in the State of Ohio. Visits, letters, and testimony before the State legislatures, and State officials have produced no results, and therefore, this morning several hundred people began a walk of protest.

What is this particular grievance all about? It is very simple, Mr. Speaker, the State of Ohio has established what they call minimum standards for welfare recipients in order that such a person on welfare might have the bare essentials and the minimum amounts to clothe, house, and feed themselves.

The State of Ohio, although enjoying historic revenues and possessed of surplus funds in the millions, has for a period of many years paid but 70 percent of this minimum amount to these welfare claimants.

Mr. Speaker, we are living in a day and age when we think in terms of prosperity and wealth, and disease as being remote and thousands of miles removed from this land which has been so blessed by Almighty God, but indeed, Mr. Speaker, in every large city of the State of Ohio, there are mothers who on the 20th day of each month are without funds to pay for shoes for their children, there are mothers who are unable to provide vegetables, and fruit, and milk in the family diet.

In my State, Mr. Speaker, on the 20th day of each month or thereabouts, these mothers are without funds to provide warm clothing in the wintertime and adequate medical and dental care. It is sad, Mr. Speaker, that in the second largest industrial State in the Union, and the sixth richest State of the Union, that an adequacy of public assistance cannot be provided when the State government has the capability.

Mr. Speaker, the plight that I have described of these Ohio people and these Ohio children does not result from the fact that the Federal Government has failed to provide supplemental Federal grant assistance programs for the indigent of my State, but rather, Mr. Speaker, it results from the disposition of the present State leadership in using Federal funds as a substitute for State action rather than as a supplement to State action.

Today I draw the attention of the House to the fact that I called upon Secretary Gardner, of the Department of Health, Education, and Welfare, to undertake a study and report as to whether or not Federal funds ought to continue to flow to States of the Union who fail to meet their own established minimum standards under the aid to dependent children programs and under general relief programs as well.

Mr. Speaker, I am of the opinion that there ought to be an arresting of such Federal assistance if the recipient States are unmindful of and refuse to discharge their State responsibility to their own needy, and who in the alternative promote State austerity and develop dollar surpluses in State general funds at the expense of those welfare recipients who are on the very lowest rung of the economic ladder and who have the greatest need in these prosperous days.

THANT'S VIETNAM PROPOSALS

Mr. TUNNEY. Mr. Speaker, I ask unanimous consent that the gentleman from Colorado [Mr. MCVICKER] 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 California?

There was no objection.

Mr. MCVICKER. Mr. Speaker, like a majority of my colleagues in this body, I fear, I am troubled and perplexed as to the course we should pursue in bringing an end to the tragic conflict in Vietnam.

Amidst all my doubts, though, I have held one firm conviction: that we should explore every avenue to peace and should utilize the offices of every responsible mediator in that quest.

We cannot continue indefinitely our present policy of limited involvement and attrition. I apprehend that we shall soon come face to face with a hard decision—to escalate or to deescalate. Before we reach that point, let us once again open the door to the conference room.

In that regard, I should like to call the attention of my colleagues to an appraisal in the New York Times of Secretary General U Thant's latest proposal for defusing this incipient powder keg:

THANT'S VIETNAM PROPOSALS

Secretary General Thant has performed a useful service in focusing attention again on the real problem in Vietnam, which is to move toward a negotiated settlement of the Communist insurrection.

The bombing of North Vietnam and the buildup to more than a quarter-million American troops in the South have neither reduced the Vietcong forces nor stabilized the internal politics of Saigon. On the contrary, the Vietcong buildup also is continuing, aided by infiltration of regular North Vietnamese units. And the American takeover of the military conflict has simply freed the Buddhist and military politicians of South Vietnam to pursue their power struggle. There is little reason to believe that further escalation will change the picture.

Mr. Thant's suggestion is that a new attempt be made to deescalate instead. His three-point proposal calls for the cessation of bombing North Vietnam; the scaling down of military action in the South to achieve a cease-fire; the opening of peace talks among all those who are "actually fighting," including the Vietcong.

Sooner or later, this is the only way the war in Vietnam can be brought to an end. The unanswered question is how this process can best be set in motion.

The efforts of numerous intermediaries to bring Hanoi to the conference table have all run into the same demand: talk to the Vietcong's National Liberation Front. Until the Saigon government shows a willingness do so, there will be no prospect of peace. But what incentive can there be for the military junta to seek a compromise settlement when American troops protect it against the consequences of political folly? The dream that the military balance can be turned and a Communist surrender achieved will only give way to reality when the American commitment ceases to be open-ended.

At the present rate of buildup there will be 350,000 to 400,000 Americans troops in South Vietnam by the end of the year. The talk in Washington of higher targets of 600,000 or 750,000 American troops in 1967 and later is further encouragement to political irresponsibility in Saigon.

At some point a halt must be called. American forces may be able to contain the larger Vietcong units, but it is much more doubtful that they can destroy the Vietcong's political network or its guerrilla bands. Every whirl upward on the escalation spiral merely restores the military balance at best—but at a higher level. A halt in the buildup may prove far more effective in forcing the Saigon factions to unite and in bringing them to face up to the need of opening contacts with the other side.

THE RAPID ACCUMULATION OF KNOWLEDGE AND ITS IMPLICATIONS FOR MODERN BUSINESS

Mr. TUNNEY. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. ROONEY] 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 California?

There was no objection.

Mr. ROONEY of Pennsylvania. Mr. Speaker, it has been my privilege on many occasions to hear remarks given by Mr. Edmund F. Martin, chairman and chief executive officer of the Bethlehem Steel Corp. When I am unable

to be present as part of the group he is addressing, I look forward to having a copy of his remarks and reading them at my leisure.

Very recently, Mr. Martin delivered a thoughtful and thought-provoking talk before the American Iron and Steel Institute. It is concerned with the enormous amount of knowledge man has achieved in the centuries since the birth of Christ—knowledge of himself, his fellow human beings, and the universe they inhabit. It particularly stressed the fantastic accumulation of knowledge in recent years.

I feel Mr. Martin's discussion of the knowledge explosion is an informative and cogent example of the extraordinary leadership the Bethlehem Steel Corp.'s management has brought to bear on the complex isues confronting our people and our time.

By unanimous permission, I include the text of his address as part of the printed RECORD of these proceedings in the hope that many of my colleagues will find the time to read it and share it with me:

CHALLENGES OF MODERN MANAGEMENT

(An Address to the General Meeting of the American Iron and Steel Institute, New York, New York, May 25, 1966, Edmund F. Martin, Chairman and Chief Executive Officer, Bethlehem Steel Corporation)

Fellow Institute Members:

Living up to that introduction before you distinguished people presents quite a challenge. It is a challenge, however, that only I have to face. The challenges I want you to consider face all of us every day—and will for years to come. Of these, three stand out in my mind:

Developing good working relations between Business and Government—

Making the best uses of Advancing Technology—

Ensuring constructive Social Change.

It will occur to you at once that these are big challenges and they are related to each other. You will also have noticed that to meet these challenges we must solve some of our most difficult national problems. But far more than this, these challenges offer us as businessmen unequaled opportunities. It is to these opportunities that I direct your attention this morning.

First, let us look at the relations between business and government. It is hard to think of a business decision or action that government does not affect in one way or another. To some extent, this has been true for many years, but government's influence on business has been growing. And, while we may regret this, I do not see any prospect of its shrinking—certainly not in our lifetime.

Many factors have stimulated the growth of government. Technology is the most powerful of these. It has moved many of our people from the farm to the city. It has raised our standard of living to levels mankind has never known before. These changes, in turn, have led to new social problems and a growing insistence that they be solved. The urge of men within government, of course, to increase their own power has contributed to government's expansion. But without these fundamental changes in our society, men could not have built government to its present power.

We know that the agency most responsible for applying technology to people's daily lives is business. Big government did not produce the industrial revolution. In fact, it was the other way around. And government is not continuing this revolution—we businessmen are. Now government can encourage or discourage business in its revolutionary activity. It can speed up or slow down the process. In short, government influences the economic climate in which we do our work. But in our system it does not initiate growth and better methods of using resources which are the hopes upon which our society depends. What this means is that we can function productively as businessmen only if we recognize that government and business must be partners.

PARTNERSHIP MEANS WORKING TOGETHER

Obviously, an effective partnership means working together. One partner should not dominate the other; nor should they always agree. "Come now, and let us reason together"—so often recommended by President Johnson—is exactly what partners should do. But there are times when men in government seem to think of "reasoning" in terms of the end of the passage from the Book of Isaiah, the source of this presidential advice. The actual passage reads in part as follows:

"Come now, and let us reason together,
saith the Lord: . . .
If ye be willing and obedient,
ye shall eat the good of the land.
But if ye refuse and rebel,
ye shall be devoured with the sword;
for the mouth of the Lord hath spoken it."

Partners must both accept the same basic goals and have a real understanding of each other's role in society. They must also both accept responsibility. To be blunt about it, we in business have not always been ready to accept ours. This has hurt us in two ways—it has given ambitious men in government a readymade excuse to move into fields better dealt with by private effort. Worse still, it has reduced our influence in guiding social change. To say that business has a "poor public image" is simply to say that we businessmen have at times abdicated our positions as leaders in society. We are the leaders. We must never forget this.

POLLUTION IS GROWING PROBLEM

Take pollution of our environment which has existed ever since man discovered fire. It did not become a serious, widespread problem until the industrial revolution hit its stride—a revolution started and kept going by businessmen. Not until the middle of this century have businessmen given much thought to the consequences of discharging industrial wastes into the air, streams and lakes. In the past we failed to realize that, as the population grew and its standard of living rose even faster, wastes were being generated in greater quantities. Many of us neglected that part of the growing problem over which we had a measure of direct control. Some of us also kicked about rising taxes when people in our communities tried to deal effectively with such nonindustrial wastes as sewage.

This has put us in a serious situation. Having failed to accept our responsibility in the past, we encouraged government to move in on us. And, when men in government propose remedies that we know are impractical or so drastic as to threaten the existence of some plants, they seem deaf to our objections. Yet, solving pollution problems is clearly a job for a partnership. Some types of pollution have to be dealt with by various levels of government but others can be controlled most effectively by industry. Control of pollution can be accomplished at reasonable cost and without undue delay only if business and government work together as partners.

Partnership requires understanding—and understanding cannot exist without effective communication and mutual respect. There is ample evidence that government does not always understand the goal, methods, and problems of business. Some of you may remember that I had an example of this earlier in the year. What we sometimes fail to realize is that we are the ones who have to educate government concerning the contributions only business can make in achieving social goals.

PROFITS ARE VITAL

One aspect of business least understood by men in government is the vital importance of profits. Of course, high government officials sometimes talk about the importance of profits but you wonder whether their hearts are really in it when you look at some of the proposals they make.

All men must understand that the expectation of profits is the force that makes our market system work. And this system must work if we are to achieve even a small part of "The Great Society." Too few government people recognize the truth of a comment made by President Johnson in his second annual economic report. The President said:

"No planned economy can have the flexibility and adaptability that flow from the voluntary response of workers, consumers, and managements to the shifting financial incentives provided by free markets."

Too many people in both government and business have forgotten—if they ever knew—the origin of the world "profit." It comes from the Latin word "profectus" and profectus means advancement and progress.

This, then, is the message we must get across to all government people at all levels—social progress within our democratic system is possible only if the profit motive is encouraged.

BUSINESS MUST STAND TOGETHER

Politicians, who are realists when it comes to a problem arousing public concern, promptly look for a whipping boy to simplify the problem and make a favorite remedy look plausible. Not infrequently, to our cost, the whipping boy is the management of a company or an industry. Attacking management is safe because management people have few votes. And, on the rare occasion when we do talk back, we get little public attention and support. Regrettably, we get little support from other members of management!

We have a good example of this in the attack against the automobile companies on the matter of highway safety. I do not suggest that our Congressmen are not honestly concerned over the slaughter that takes place on our highways. I am sure they are. But it is perfectly clear that highway accidents occur for many reasons. And the remedies lie in the hands of many people—including politicians. In my opinion, singling out automobile construction as the primary cause of accidents is unfair. Furthermore, it is unwise since it distracts attention from other, more important causes, such as excessive speed and alcohol and inadequate law enforcement. And to imply—as some politicians have been doing—that automobile company executives don't care about highway safety is grossly untrue.

When government attacks one business unfairly, the rest of us should stand up and say so—and not just because that business happens to be a good customer of ours. The Business Council was right in backing the automobile companies on the safety matter and there should be more support of that kind. An unfair attack, if unchallenged, weakens public confidence in all business. It encourages those in our society who want government to manage everything. We cannot expect to increase understanding of business by sitting back and smugly thanking God that someone else is getting it. And we must recognize that disagreement between partners, if honest and unemotional, strengthens a partnership.

GOVERNMENT RELATIONS MUST BE IMPROVED

Now what does this mean to us? It means that we must improve our working relations with government. We must get to know better the people in government, not only

in Washington but in state capitals, city halls and county offices. It means talking with Democrats as well as Republicans. And when we meet with government officials, we should listen as well as talk. They have pressures and points of view which are different and we must try to understand them. Furthermore, our approach to their problems must be constructive. Their problems are real and solutions must be found. We ought to become part of the solution rather than part of the problem. We can be sure that the cure will not be worse than the disease only if we help develop it. Nearly 2,400 years ago, the greatest Athenian politician, Pericles, said:

"We do not say that a man who takes no interest in politics minds his own business. We say that he has no business to mind."

The passage of time has added to the truth of that statement. We have made real progress toward better relations with government collectively, through the Institute, and individually, through our own public affairs activities. But we need to do a lot more.

CHALLENGE OF ADVANCING TECHNOLOGY

Turning now to the challenge of advancing technology, we know better than any other group in society how much our present standard of living owes to technical progress. After all, we businessmen apply technology to the solution of economic problems. Thus, it is up to us to make sure that advancing technology is used to the best advantage.

Technology is, of course, based on accumulated knowledge and knowledge is growing at a remarkable rate. Someone has estimated that the total of human knowledge doubled between the birth of Christ and the year 1750; it doubled again between 1750 and 1900—just one and a half centuries; it doubled once more in the half-century between 1900 and 1950; and again between 1950 and 1960—a single decade. A fifth doubling occurred between 1960 and 1965 and, by 1970, we will be accumulating knowledge so fast that we can expect the sum of it to double every six months.

This knowledge explosion is due to greatly expanded research. We did not know how much time and money were being devoted to research until recently. We can be reasonably sure that about 90 per cent of all the scientists who have ever lived are alive right now. In our own country, research expenditures have tripled in the last ten years alone. It is worth noting that nearly two-thirds of the money involved comes from the federal government. Without getting into the question whether this is good or bad, the heavy participation of government in research activity affects business directly and indirectly. This is one more reason why we in business should act as partners with government.

How are we to deal with the huge amount of information our research is giving us? Fortunately, we are acquiring not only new facts but also new principles. These provide ways of analyzing facts and putting them to use. Research is constantly improving the hardware needed to collect, store and process information. And it is providing us with better ways to control activities. Thus, the real challenge presented to management by the rapid growth of knowledge is not how to accumulate and process it, but how to use it.

INCREASING USE OF RESEARCH

We in the steel industry have made increasing use of research to the profit of our customers and their customers. Starting with raw materials, we have applied new ideas and principles in steelmaking. You are all familiar with the changes that have resulted. These many applications of new knowledge and new combinations of old knowledge mean constantly improving products, more effective use of labor, materials and capital, and better service. I am convinced we are just at the beginning of a new revolution in steel.

As today's managers, we are responsible for the future of our industry. This means increasing the use of new analytical methods and new equipment. We must be even quicker to adopt new ideas, particularly those relating to management. As our plants and markets become more complex, every level of management must employ the most modern analytical tools.

SOCIAL PROBLEMS AND INDUSTRY

I foresee problems outside the limits of our industry having a growing effect on its character and the way we mould it. What I am talking about are the social problems which arouse more concern every day. As our general prosperity grows, it will be increasingly difficult to tolerate urban congestion, the existence of slums, inadequate educational services, and unequal opportunities for American citizens. These are not problems dragged out of the closet by politicians to obtain votes in an election year only to be put back after November. They are serious. The evidence is all around us of a growing public insistence that they can and must be solved. The way they are solved can affect the future of every business profoundly. Steel is no exception.

Business can make contributions to our society. We have already done a great deal in some directions, although many of our accomplishments have not been widely recognized. Blaine Cook of United Airlines was not exaggerating when he said recently:

"The American business system has probably done more to alleviate poverty than any other human institution in the history of the race."

We cannot, in our own interest, sit back and rest on our past accomplishments. To rest is to rust. We will be neither good businessmen nor good citizens if we leave the solution of our social problems entirely to government.

Solving those problems offers great business opportunities as well as the satisfaction of improving our society. Just think for a moment what traffic jams cost our own companies. Or, consider what happens to our taxes when large areas in the cities where we have plants are allowed to become slums. How much of the present labor shortage results from inadequate education? Or, looking at the other side of the coin, how much business will be generated by improving urban transportation, housing and schools? The possibilities are immense.

ROLE OF BUSINESS

The role of business lies in applying our technical knowledge and management skill to the solution of social problems. And playing this role requires that we do three things intensively:

We must participate more actively in politics. Only then will we better understand government problems and expand our influence in their solution.

We must direct more of our attention and research to such matters as urban renewal, disposal of wastes, and transportation.

We must increase our contacts and assistance to schools and colleges—not just in money but in the realm of ideas as well.

The challenges which I have been discussing with you—developing good working relations between business and government, making the best use of advancing technology, and ensuring constructive social change—give us unparalleled opportunities to shape the future. Let us remember what Abraham Lincoln once said:

"The dogmas of the quiet past are inadequate to the stormy present. . . . As our case is new, so we must think anew and act anew."

Gentlemen, this should be our intent and purpose.

PRIVATE ENTERPRISE AND THE GUARANTEED STUDENT LOAN PROGRAM

Mr. TUNNEY. Mr. Speaker, I ask unanimous consent that the gentleman from Florida [Mr. PEPPER] 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 California?

There was no objection.

Mr. PEPPER. Mr. Speaker, last October Congress approved, as part of the Higher Education Act, a system of guaranteed loans to students which will greatly expand the availability of loan funds to those who must borrow money in order to finance their college education. The program calls for cooperation between the Federal Government, the States, institutions of higher learning, the financial community, and private nonprofit organizations which guarantee student loans. Despite the great need for financial aid to students, the program has been slow to get off the ground; although loans totaling $700 million were guaranteed by the Federal Government for fiscal year 1966, only about $150 million were borrowed.

I was therefore very pleased to read in Tuesday's newspaper that the American Bankers Association is taking new steps to encourage its members to participate, beginning this fall, in the loan program. The private banking resources of our Nation are urgently needed, if we are to remove the financial barrier to a college education for every capable individual American. The 1965 Higher Education Act enlists the help of America's 18,000 banks for this purpose. I am gratified that the American Bankers Association is acting to gain the immediate participation of its members in this program.

Mr. Speaker, the article by Mr. William Reddig, which appeared in the Evening Star on June 21, 1966, follows:

[From the Evening Star, June 21, 1966]

BANK GROUP ASKS MEMBERS TO JOIN STUDENT LOAN PLAN

(By William Reddig)

The American Bankers Association, which fought to keep new student loan financing in the private arena, is asking all its members to participate, beginning in the fall, under the 1965 Higher Education Act.

More than half a million college students are expected to borrow about $400 million during the school year beginning in September. During the last school year, students borrowed $150 million under state and private guaranteed loan programs.

The ABA wants its members to assign a top management person as student loan officer and to put on pressure in the states to make sure that adequate insurance reserves are provided for a state or private nonprofit loan insurance agency.

After a bank makes the appointment, the ABA will send the officer information on the program and a promotional kit to advertise it in the bank and with local media. Most of the 18,000 banks in the country are expected to cooperate.

"Student loan programs present the banking industry with one of the best public relations opportunities the industry has ever had," said Archie K. Davis and Charls E. Walker, president and executive vice president respectively of the ABA, in a joint statement.

SETS UP RESERVES

The federal government is providing $17.5 million for this student loan program under the 1965 education act. The funds will set up reserves and offer payment up to 6 percent of interest charges on student loans.

The private loan program supplements direct loans provided for needy students under the 1958 National Defense Education Act. About $175 million is available under this program.

Under the 1965 education act, loans will be made directly to the students by the banks and other lending institutions. State and private nonprofit agencies will guarantee the loans against default.

Thirteen states, including Maryland, guarantee plans. One of the largest private plans is the United Student Aid Funds of New York, which operates in all 50 states and endorses low-cost loans made by participating banks to students at more than 600 colleges.

SAXON'S INSTRUCTIONS

James J. Saxon, comptroller of the currency, told the banks that national bank examiners will be instructed to treat student loans made under Title IV of the act "in a manner similarly accorded to FHA Title I loans."

The federal government will pay interest benefits quarterly to lenders on behalf of students whose adjusted family income is under $15,000 annually.

But interest charges cannot be over 6 percent and the student cannot be required to begin repayment sooner than 60 days after he finishes school.

In general, a student may borrow up to $5,000 for undergraduate education. A graduate or professional student may borrow up to $1,500 a year, with a maximum of $7,500 for both undergraduate and graduate education.

DISCRIMINATORY REGULATION ON THE PART OF THE INTERNAL REVENUE SERVICE

Mr. TUNNEY. Mr. Speaker, I ask unanimous consent that the gentleman from Indiana [Mr. HAMILTON] 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 California?

There was no objection.

Mr. HAMILTON. Mr. Speaker, many teachers in the Ninth Congressional District of Indiana have written to me protesting what they call a discriminatory regulation on the part of the Internal Revenue Service.

I speak of the regulation which prevents practicing teachers from deducting the educational expenses of getting their master's degrees.

Beginning teachers—those with bachelor's degrees—are required by the State of Indiana to obtain the master's degree within 5 years to qualify for a professional teacher's certificate. Yet, teachers working to fulfill that State requirement are told this expense of getting an advanced degree is not deductible.

On the other hand, an attorney in Indiana is allowed to deduct the expense of any additional training as soon as he is admitted to the bar and allowed to charge money for his services.

In this light, it seems to me that teachers are being penalized to meet Indiana's standards of excellence in education.

In fact, it seems to me that this policy contradicts the administration's emphasis on educational excellence.

I have been in contact with officials of the Internal Revenue Service, but there have been no indications that an administrative order to change this situation is in the offing.

Therefore, I am introducing legislation to secure income tax deductions for practicing teachers' advanced professional education.

LEGISLATION TO INCREASE FAA POWERS IN AIRCRAFT NOISE CONTROL AND ABATEMENT

Mr. TUNNEY. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. ROSENTHAL] 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 California?

There was no objection.

Mr. ROSENTHAL. Mr. Speaker, on behalf of myself and my colleagues, the gentlemen from New York, [Mr. ADDABBO and Mr. WYDLER], I am today introducing legislation to increase the powers of the Federal Aviation Agency in the field of aircraft noise control and abatement.

For some time, we have been aware of the growing social costs of our air transportation system. Not the least of these costs is aircraft noise. Since 1960, the Federal Government has been active in this area through research and development programs. We have found that people within a 5-mile radius of major airports are subject to serious noise disturbances which can often be correlated with nervous conditions, heart conditions, and simple inconveniences. Through the efforts of the National Aeronautics and Space Administration and the Federal Aviation Agency, we have documented the case against aircraft noise so that its threat is no longer a matter for controversy.

This clear record, and the increased pressure from the afflicted public, has resulted in certain steps forward in the war against aircraft noise. Local airports have adopted safe flight patterns to minimize noise effects, even if there may be some routing inconvenience involved. Aircraft companies are being urged to adopt new engineering techniques in jet propulsion systems. I think, overall, the Federal Aviation Agency has done an effective job in this area, given the limits of its authority. But it is clear that authority needs to be expanded.

It was this situation, I think, which prompted the President to announce in his transportation message of this year, that "we must embark on a concerted effort to alleviate the problems of aircraft noise."

To that end, he established a special Presidential commission, headed by the President's Science Adviser, to study the development of noise standards, and the compatible issues of land near airports, to consult with local communities and industry, and to recommend new steps, administrative or legislative.

I believe this commission represents a full-scale national commitment to control and abate aircraft. It is my view, however, and that of my colleagues from New York, that we must move to a new program of activity and enforcement. The science of noise control is still in its youth. But we presently know enough to start taking some forthright action.

Accordingly, our legislation empowers the Administrator of the Federal Aviation Agency to prescribe and amend standards for the measurement of aircraft noise and apply such standards in the issuance, amendment, modification, or revocation of any certificate authorized by the Federal Aviation Act of 1958. This is a proposal to give the Federal Aviation Agency some long-needed muscle in the enforcement field. All the research and development in the world will be of no use if it is not given the opportunity for implementation. Our measure gives the Federal Aviation Agency the chance to consider noise problems at the very root of certification procedures.

To balance the proposal, however, the legislation guarantees certificate holders the right to notice and appeal.

This legislation was reached after careful consultation with the Federal Aviation Agency, which has approved this measure. We, and they, feel it can most effectively deal with the growing noise problem, and can help us answer one of our most basic and neglected human rights—the right to peace and quiet.

MORE CAPITOL PUNISHMENT

Mr. TUNNEY. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. SCHEUER] 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 California?

There was no objection.

Mr. SCHEUER. Mr. Speaker, the proposed extension of the west front of the Capitol is a matter of growing concern to many Members of Congress. It is inconceivable to me that the decision has been made to obliterate the last remaining external vestiges of our Nation's revered Capitol Building without the advice of impartial experts. The facts are these:

First. The U.S. Capitol is a proud national possession, an essential and irreplaceable element of our rich heritage. Any alterations made to it should be considered fully and openly in a manner which gives the public—the building's true owner—a voice in the discussion.

Second. The west front wall of the U.S. Capitol has been allowed to fall into a state of unsightly disrepair and should be restored immediately by the associate architects employed by the Architect of the Capitol, and, if necessary, with the aid of a restoration specialist. Many historic buildings here and abroad have been so restored. One example is the Tennessee Capitol Building at Nashville, which was in far worse condition than the U.S. Capitol Building until the mat-

ter was put to rights by an enlightened legislature. The argument of those in favor of extension that a wall need be moved to be repaired is, to put it baldly, sheer nonsense.

Third. The piecemeal approach to meeting the present and predicted needs of Congress cannot longer be tolerated. Eventually, these disconnected, ad hoc alterations would convert the Capitol into a completely different building, a building planned by no rational intelligence but which rather simply growed, like Topsy. A comprehensive space-need-use survey of Capitol facilities should be undertaken immediately and from this survey data a master plan should be developed. Master planning is used by our cities, by forward-looking businesses, industrial and banking concerns, and by our great universities and should be the basis for all our Capitol planning. Toleration of this Topsy-like growth has already invited chaos.

Fourth. The architectural profession, represented by the American Institute of Architects, has been traditionally, and is, opposed to changing the west front of the Capitol, believing that the west front is architecturally meritorious as it now stands. The AIA is convinced that the Capitol has rightly come to be an indelible part of the American scene. Recent comments in the press and reports from all over the country have confirmed the Institute's belief.

If the old stones of the Capitol are crumbling let them be restored, or replaced if need be, but let us refrain from padding its bones with layers of rooms until it becomes a shapeless mass * * * Congress deserves a mid-20th century answer to its space needs, not a misguided 19th century alternation to a venerable building deserving of respectful preservation.

Mr. Speaker, I would like to include the statement of the American Institute of Architects on the proposed extension of the west front:

[October 13, 1965]

STATEMENT OF THE AMERICAN INSTITUTE OF ARCHITECTS

The Institute believes that the Capitol of the United States is a vitally important symbol of our nation's government. As such, it should be preserved. If reconstruction is structurally necessary, it should be carried out in strict accordance with the present design. If the Capitol continues to expand, it will rapidly lose all resemblance to the original building. The AIA believes that it should be a permanent policy of the Congress that the exterior of the Capitol is to remain unchanged. Today, the West Front contains the last remaining external vestiges of the Capitol as it was originally designed and built. It is the only important link with the beginnings of the building. If the West Front of the Capitol is extended, we will have buried the last of those walls that date from the early years of the Republic, and will have obscured a part of our history that can never be restored.

PROGRAM FOR REMAINDER OF THE WEEK

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

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

There was no objection.

Mr. GERALD R. FORD. Mr. Speaker, I have requested this time in order to inquire of the distinguished majority leader the program for the remainder of the week.

Mr. ALBERT. Mr. Speaker, will the distinguished gentleman yield to me?

Mr. GERALD R. FORD. I yield to the gentleman from Oklahoma.

Mr. ALBERT. Mr. Speaker, in addition to the program heretofore announced we are scheduling the bill S. 3368 on which a rule has been granted today. This is a closed rule. I understand the bill was unanimously reported from the Committee on Banking and Currency.

Mr. GERALD R. FORD. Mr. Speaker, could the gentleman from Texas [Mr. PATMAN] give the Members the title of the legislation and the content of the proposal?

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

Mr. GERALD R. FORD. I yield to the gentleman from Texas.

Mr. PATMAN. Mr. Speaker, the bill proposes to extend for 2 years the power and authority of the Federal Reserve to make direct purchases of obligations from the Treasury, up to but not exceeding $5 billion.

Mr. Speaker, they have had that power—at least the Federal Reserve has had that power—for the last 20 years, and it has been extended about every 2 years. It has not been used, however, since 1958 and it is certainly not proposed to be used in the next 2 years. However, it is a good thing to have available in the event an emergency may make its use necessary; that is, to use this power. It is supported by both the Federal Reserve and the Department of the Treasury. It was unanimously reported by the Committee on Banking and Currency. Heretofore there has never been any objection to its extension.

Mr. GERALD R. FORD. As I understand it, the ranking minority Member, the gentleman from New Jersey [Mr. WIDNALL], is in favor of the legislation, and the minority members on the committee were unanimous in supporting the bill?

Mr. PATMAN. Mr. Speaker, if the gentleman will yield further, that is right; and as stated here on the floor by the gentleman from New Jersey [Mr. WIDNALL] to the gentleman from Michigan [Mr. GERALD R. FORD] a while ago, and to myself, the gentleman from New Jersey stated he would have no objection to it coming up for consideration tomorrow afternoon.

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

Mr. GERALD R. FORD. I yield.

Mr GROSS. I take it this is the old printing-press money bill that has been kicked around here and subject to renewal around every 2 years?

Mr. PATMAN. Yes, the gentleman from Iowa always refers to it as the printing-press money bill.

Mr. GERALD R. FORD. May I ask the distinguished majority leader with reference to the legislative program, other than the bill that we have just been discussing, the only other business this week is the bill H.R. 13196, the Allied Health Professions Training Act?

Mr. ALBERT. That is the only legislative business programed for the remainder of this week. Of course, conference reports and any matter which is agreed to be taken up under unanimous consent would always be in order.

COMMITTEE ON BANKING AND CURRENCY

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may meet tomorrow afternoon while the House is in session and engaged in general debate.

I have cleared this with the ranking minority member of the committee, the gentleman from New Jersey [Mr. WIDNALL] and he said that it was satisfactory.

Mr. GERALD R. FORD. Mr. Speaker, reserving the right to object, does it not seem a little paradoxical that the chairman of the Committee on Banking and Currency should be one minute asking for authority to bring up a bill from his committee, and in the next breath he should be asking permission for the Committee on Banking and Currency to sit while the House is in session?

Mr. PATMAN. That can be explained in this way: I have some good people next to me who can serve as chairman in the event I am away, and I would expect to be away, here on the floor of the House.

The object of this request is that Mr. Horne, the Chairman of the Federal Home Loan Bank Board, cannot be here before noon tomorrow, and therefore we will use other witnesses, but in the afternoon when he returns we want to use him before our committee. We expect to get through tomorrow, and that is the reason for asking for an afternoon session.

I hope it is not objected to.

Mr. GERALD R. FORD. What is the legislation, and what is the hurry?

Mr. PATMAN. It is the certificates of deposit legislation. We have been on it for several weeks, and we are anxious to bring it to a close if we can. As far as the testimony is concerned, we expect to close the testimony tomorrow.

Mr. GERALD R. FORD. It so happens that the gentleman whose name was mentioned, Mr. Horne, is a good neighbor of mine in the Washington, D.C., area, but cannot this appearance by him be delayed until the next day?

Mr. PATMAN. That delay is something that the homebuilders will claim will be very injurious to them. You see, they are anxious to get this certificates of deposit matter settled so that the savings and loans institutions can go back to extending loans on home building.

The SPEAKER pro tempore (Mr. PEPPER). Is there objection to the request

of the gentlemen from Texas [Mr. PATMAN]?

Mr. GERALD R. FORD. Mr. Speaker, I object.

HONESTY, ETHICAL STANDARDS AND MR. FREEMAN

Mr. FINDLEY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include an article.

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

There was no objection.

Mr. FINDLEY. Mr. Speaker, two incidents of recent date involving Agriculture Secretary Freeman show the importance of old-fashioned investigative reporting. The first involved the famous "Dear Bob" letter Mr. Freeman wrote January 22 to Defense Secretary McNamara, in which Mr. Freeman recommended a 50-percent cut in pork purchases for 6 months, purchase for 6 months of European pork and beef instead of U.S. products and reduction in purchases of various fruits and vegetables. In it he explained his recommendation as being needed to "help keep domestic food prices in line."

On February 17 the Defense Department issued an order carrying out precisely what Mr. Freeman had recommended. The order did not become public knowledge until 7 weeks later, and it was reversed on May 7 after farmers protested.

Despite all this Secretary Freeman told the press on June 3 that the Agriculture Department had little or no role in the Defense Department decision and further that the decision was not intended to influence consumer prices. Obviously, Mr. Freeman was not leveling with the reporters. He was trying to mislead them.

Thanks to the digging of Mr. Nick Kotz, reporter for the Des Moines Register, Mr. Freeman was asked about the "Dear Bob" letter and he quickly reversed his field. Had Mr. Kotz not challenged Mr. Freeman, the public record of this chapter in agricultural history would have been false and misleading.

This incident may be trivial in itself, and perhaps as Secretary Freeman later insisted, the order had little impact on market conditions, but honesty is important in matters large and small. It certainly raises troubling questions: How much duplicity like this goes on which is never brought to light? How far do high officials stretch the truth in efforts to make themselves look good? What and whom can one believe?

The second incident also involves both Mr. Kotz and Mr. Freeman. It deals with a planned leak of news to a Democratic Senator about intended butter purchases by USDA. It was a flagrant example of playing partisan politics with highly sensitive marketing operations. It was a distinct departure from the standards of high ethical conduct on such matters long followed by career employees in the Department of Agriculture.

Here is the report of the affair as written June 20 by Mr. Kotz:

WASHINGTON.—The Secretary of Agriculture personally called a Democratic Senator to offer him the privilege of announcing an impending department marketing decision.

But the next day, the department decided not to announce the decision because another Member of Congress had "leaked" the announcement to the press.

Agriculture Department officials said they delayed the announcement because they feared the premature congressional press release would give unfair advantage to some persons in the commodity trading market.

Admittedly, this account sounds confusing. How can the Agriculture Secretary offer to let one Senator prematurely announce an order, and later contend the announcement was delayed because of premature disclosure by another Congressman.

This situation involving a butter purchase order illustrates some possible confusion in the department concerning the handling of sensitive information which can and does affect the commodity markets.

The particular case mentioned above happened late in May, according to highly informed sources. The Agricultural Department declines to relate officially its version of what happened.

Asked formally for the department's account of the delayed butter purchase announcement, Agriculture Secretary Orville Freeman's press secretary replied: "We will have no comment."

The Members of Congress most directly involved—Senator GEORGE MCGOVERN, Democrat of South Dakota, and Representative LYNN STALBAUM, Democrat of Wisconsin, also decline comment.

But other sources report the following.

Freeman called MCGOVERN and told him he could make the announcement that the Agriculture Department was going to buy butter at market prices for the school lunch program. The department would make its official announcement the next day.

This Department announcement, utilizing a section of the 1965 farm bill authored by MCGOVERN, had considerable import to the butter and dairy markets.

Dairy prices were very weak. The announcement was an indication that the Agriculture Department stood ready to buy about 50 million pounds of butter a year at market prices.

The announcement could be expected to have effect of strengthening the butter futures market and the market for whole milk at creameries.

At least some other Senators found out in advance about the forthcoming order. MCGOVERN made his announcement in South Dakota and Senator WALTER MONDALE, Democrat, of Minnesota, made one in his State.

But the next day the department didn't issue the order. Some congressional officials were informed by Agriculture Department officials that the order was not issued because Representative LYNN STALBAUM, Democrat, of Wisconsin, announced it prematurely.

Tom Hughes, assistant to Freeman for congressional liaison, said last week that it was his understanding the announcement was delayed because STALBAUM's premature press release might have affected the markets.

The announcement finally was made on June 2 that the Department would take bids to buy butter at market prices.

On this occasion, the Department took great care not to inform interested members of congress until after the commodity markets had closed.

The butter announcement is only one of several in recent weeks indicating a lack of uniform procedures in announcing information which can affect sensitive commodity markets.

In some of these other cases, other Departments as well as Agriculture are involved.

The initial Defense Department decision to cut in half its prime pork purchases for six months didn't become public information for seven weeks, but the large meat packing concerns knew within a few days.

When the administration, reacting to farm State protest, reversed the pork order a month later, the announcement again was not a uniform one. At least some democratic midwest congressmen were informed of the order in advance by Agriculture Department officials and made announcements ahead of the official one.

A similar situation existed when the Commerce Department first restricted exports of hides and then modified the order following farm protests. In the first case, shoe manufacturers and tanneries knew of the decision in advance. In the second case, the Commerce Department let some Democratic Congressmen leak stories in advance of the actual retrenchment of the order.

Several congressional sources report that the Agriculture Department has been following a more uniform procedure in recent days. namely, the department has been waiting until after the markets close, then informing Congressmen several hours in advance of the public notice.

One congressional expert on commodity matters commented that "The department is in a tough spot."

"Congressmen gripe at the department if they're not told about these things in advance," he commented.

It has been the normal practice in most administrations to let Members of Congress of the same political party make many announcements affecting their districts.

But everyone interviewed in Congress and in the Agriculture Department agrees that decisions affecting commodity markets should be announced uniformly so that no person or group is given an advantage.

The Agriculture Department has taken great care and is proud of its security measures to prevent leaks of information involving reports of its crop reporting boards.

The estimates of the crop reporting boards vitally affect futures in the commodity markets.

Yet, knowledgeable officials both on Capitol Hill and in the Agriculture Department state that many department decisions—such as welfare program buying or surplus commodity selling—can have just as great an effect on the commodity markets.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. HARSHA (at the request of Mr. GERALD R. FORD), from June 21 through June 30, on account of serious illness in family.

Mr. HAGAN of Georgia (at the request of Mr. ALBERT), for today and tomorrow, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. ASHBROOK (at the request of Mr. MCDADE), for 30 minutes, today; to revise and extend his remarks and include extraneous matter.

Mr. DON H. CLAUSEN (at the request of Mr. MCDADE), for 30 minutes, today; 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:

Mr. RONCALIO and to include extraneous matter.

Mr. GRABOWSKI in two instances.

(The following Members (at the request of Mr. MCDADE) and to include extraneous matter:)

Mr. PELLY.

Mr. DOLE.

Mr. MARTIN of Massachusetts.

(The following Members (at the request of Mr. TUNNEY) and to include extraneous matter:)

Mr. TODD.

Mr. SWEENEY.

Mr. CAREY.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1336. An act to amend the Administrative Procedure Act, and for other purposes; to the Committee on the Judiciary.

S. 2769. An act relating to the establishment of parking facilities in the District of Columbia; to the Committee on the District of Columbia.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 693. An act to amend the Foreign Agents Registration Act of 1938, as amended;

S. 1160. An act to amend section 3 of the Administration Procedure Act, chapter 324, of the act of June 11, 1946 (60 Stat. 238), to clarify and protect the right of the public to information, and for other purposes;

S. 1495. An act to permit variation of the 40-hour workweek of Federal employees for educational purposes;

S. 2142. An act to simplify the admeasurement of small vessels; and

S. 2307. An act for the relief of certain civilian employees and former civilian employees of region 1 of the Bureau of Reclamation.

ENROLLED BILL SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 11227. An act to authorize the Honorable EUGENE J. KEOGH, of New York, a Member of the House of Representatives, to accept the award of the Order of Isabella the Catholic.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H.R. 6438. An act to authorize any executive department or independent establishment of the Government, or any bureau or office thereof, to make appropriate accounting adjustment or reimbursement between the respective appropriations available to such departments and establishments, or any bureau or office thereof;

H.R. 6515. An act to supplement the act of October 6, 1964, establishing the Lewis and Clark Trail Commission, and for other purposes;

H.R. 7042. An act to amend section 402(d) of the Federal Food, Drug, and Cosmetic Act;

H.R. 7402. An act to provide for the establishment of the Chamizal National Memorial in the city of El Paso, Tex., and for other purposes;

H.R. 10357. An act to provide for the striking of medals in commemoration of the 100th anniversary of the founding of the U.S. Secret Service; and

H.R. 15202. An act to provide, for the period beginning on July 1, 1966, and ending on June 30, 1967, a temporary increase in the public debt limit set forth in section 21 of the Second Liberty Bond Act.

ADJOURNMENT

Mr. TUNNEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to. Accordingly (at 3 o'clock and 9 minutes p.m.) the House adjourned until Thursday, June 23, 1966, 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:

2505. A communication from the President of the United States, transmitting an amendment to the request for appropriations for the Department of the Interior for fiscal year 1967 (H. Doc. No. 454); to the Committee on Appropriations and ordered to be printed.

2506. A letter from the Secretary, Export-Import Bank of Washington, transmitting a report on insurance and guarantees on U.S. exports to Yugoslavia for the month of May 1966, pursuant to title III of the Foreign Assistance Act of 1966, and to the Presidential determination of February 4, 1964; to the Committee on Foreign Affairs.

2507. A letter from the Comptroller General of the United States transmitting a report of improvements in the budget presentation of proposed major capital expenditures, the Alaska Railroad, Department of the Interior; to the Committee on Government Operations.

2508. A letter from the Comptroller General of the United States, transmitting a report of savings available by use of conventionally designed airport traffic control towers at low-activity airports, Federal Aviation Agency; to the Committee on Government Operations.

2509. A letter from the Comptroller General of the United States, transmitting a report of review of the equipment modification program for M48A1 tanks, Department of the Army; to the Committee on Government Operations.

2510. A letter from the Comptroller General of the United States, transmitting a report of review of eligibility of veterans for total disability insurance, Veterans' Administration; to the Committee on Government Operations.

2511. A letter from the Comptroller General of the United States, transmitting a report of review of the purchase of title insurance on properties acquired in the State of Florida under the loan guarantee program, Veterans' Administration; to the Committee on Government Operations.

2512. A letter from the Comptroller General of the United States, transmitting a report of review of repair practices relating to single-family properties acquired through mortgage insurance programs, Federal Housing Administration, Department of Housing and Urban Development; to the Committee on Government Operations.

2513. A letter from the Comptroller General of the United States, transmitting a report of examination of financial statements of the Bureau of Engraving and Printing fund, Treasury Department, fiscal years 1964–65; to the Committee on Government Operations.

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. DAWSON: Committee on Government Operations. Thirtieth report entitled "Unshackling Local Government—A Survey of Proposals by the Advisory Commission on Intergovernmental Relations"; without amendment (Rept. No. 1643). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON: Committee on Government Operations. Thirtieth report entitled "1965 Survey on Disposal of Sewage and Industrial Wastes by Federal Installations (Water Pollution Control and Abatement)"; without amendment (Rept. No. 1644). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON: Committee on Government Operations. S. 3150. An act to make further provision for the retirement of the Comptroller General; without amendment (Rept. No. 1645). Referred to the Committee of the Whole House on the State of the Union.

Mr. BOLLING: Committee on Rules. House Resolution 894. Resolution providing for the consideration of S. 3368. An act to amend section 14(b) of the Federal Reserve Act, as amended, to extend for 2 years the authority of Federal Reserve banks to purchase U.S. obligations directly from the Treasury; without amendment (Rept. No. 1646). Referred to the House Calendar.

Mr. PATMAN: Committee on Banking and Currency. H.R. 15639. A bill to amend title III of the National Housing Act to increase the authority of the Federal National Mortgage Association to obtain funds for use in its secondary market operations; without amendment (Rept. No. 1647). 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. 15831. A bill to amend the Rural Electrification Act of 1936, as amended, to establish REA electrification and telephone loan accounts and Federal banks for rural electric and rural telephone systems to provide supplemental financing for the rural electrification and rural telephone programs, and for other purposes; to the Committee on Agriculture.

By Mr. BINGHAM:

H.R. 15832. A bill to regulate interstate and foreign commerce by preventing the use of unfair or deceptive methods of packaging or labeling of certain consumer commodities distributed in such commerce, and for other

purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. BOLAND:

H.R. 15833. A bill to authorize the Secretary of the Interior to study the feasibility and desirability of a Connecticut River National Recreational Area, in the States of Connecticut, Massachusetts, Vermont, and New Hampshire, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. DON H. CLAUSEN:

H.R. 15834. A bill to amend the Internal Revenue Code of 1954; to the Committee on Ways and Means.

By Mr. CASEY:

H.R. 15835. A bill to exclude from income certain reimbursed moving expenses; to the Committee on Ways and Means.

By Mr. DE LA GARZA:

H.R. 15836. A bill to exclude from income certain reimbursed moving expenses; to the Committee on Ways and Means.

By Mr. GARMATZ (by request):

H.R. 15837. A bill to repeal the prohibition upon the fixing or collection of fees for certain services under the navigation laws; to the Committee on Merchant Marine and Fisheries.

By Mr. GILBERT:

H.R. 15838. A bill to amend title II of the Merchant Marine Act, 1936, to create the Federal Maritime Board-Administration, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. KING of New York:

H.R. 15839. A bill to establish a National Commission on Reform of Federal Criminal Laws; to the Committee on the Judiciary.

By Mr. KUPFERMAN:

H.R. 15840. A bill to provide for the establishment of the Plymouth Rock National Memorial, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. McCARTHY:

H.R. 15841. A bill to amend title XIX of the Social Security Act to eliminate therefrom certain costly requirements imposed with respect to State programs for medical assistance established pursuant thereto; to the Committee on Ways and Means.

By Mr. McCLORY:

H.R. 15842. A bill to regulate imports of milk and dairy products, and for other purposes; to the Committee on Ways and Means.

By Mr. McDADE:

H.R. 15843. A bill relating to withholding, for purposes of the income tax imposed by certain cities, on the compensation of Federal employees; to the Committee on Ways and Means.

By Mr. MORRIS:

H.R. 15844. A bill to extend to State public assistance programs approved under titles XIV, XVI, and XIX of the Social Security Act the special matching provisions presently in force with respect to certain Navajo and Hopi Indians, and for other purposes; to the Committee on Ways and Means.

By Mr. MATSUNAGA:

H.R. 15845. A bill to exclude from income certain reimbursed moving expenses; to the Committee on Ways and Means.

By Mrs. MINK:

H.R. 15846. A bill to amend the Mental Retardation Facilities Construction Act in order to permit the construction of classrooms under that act; to the Committee on Interstate and Foreign Commerce.

By Mr. O'NEILL of Massachusetts:

H.R. 15847. A bill to provide for a coordinated national safety program and establishment of safety standards for motor vehicles in interstate commerce, to reduce accidents involving motor vehicles, to reduce the deaths and injuries occurring in such accidents and to the extent consistent with such reductions, to reduce property damage which occurs in such accidents; to the Committee on Interstate and Foreign Commerce.

By Mr. PATMAN:

H.R. 15848. A bill to amend the Public Works and Economic Development Act of 1965 to extend for an additional year the eligibility of certain areas; to the Committee on Public Works.

By Mr. ROONEY of Pennsylvania:

H.R. 15849. A bill to authorize the Secretary of the Interior to enter into contracts for scientific and technological research, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 15850. A bill to regulate interstate and foreign commerce by preventing the use of unfair or deceptive methods of packaging or labeling of certain consumer commodities distributed in such commerce, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. RYAN:

H.R. 15851. A bill to make an additional appropriation for carrying out the purposes of the Economic Opportunity Act of 1964, as amended; to the Committee on Appropriations.

By Mr. STRATTON:

H.R. 15852. A bill to amend the Public Works and Economic Development Act of 1965 to extend for an additional year the eligibility of certain areas; to the Committee on Public Works.

H.R. 15853. A bill to regulate imports of milk and dairy products, and for other purposes; to the Committee on Ways and Means.

By Mr. SWEENEY:

H.R. 15854. A bill to provide a temporary program for dairy farmers under which production adjustment payment shall be made to such farmers who voluntarily adjust their marketings of milk and butterfat; to the Committee on Agriculture.

By Mr. TALCOTT:

H.R. 15855. A bill to establish a National Commission on Reform of Federal Criminal Laws; to the Committee on the Judiciary.

By Mr. THOMPSON of New Jersey:

H.R. 15856. A bill to regulate interstate and foreign commerce by preventing the use of unfair or deceptive methods of packaging or labeling of certain consumer commodities distributed in such commerce, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. WHITENER:

H.R. 15857. A bill to amend the District of Columbia Police and Firemen's Salary Act of 1958 to increase salaries of officers and members of the Metropolitan Police force and the Fire Department, and for other purposes; to to the Committee on District of Columbia.

H.R. 15858. A bill to amend section 6 of the District of Columbia Redevelopment Act of 1945, to authorize early land acquisition for the purpose of acquiring a site for a replacement of Shaw Junior High School; to the Committee on the District of Columbia.

By Mr. NELSEN:

H.R. 15859. A bill to amend section 6 of the District of Columbia Redevelopment Act of 1945, to authorize early land acquisition for the purpose of acquiring a site for a replacement of Shaw Junior High School; to the Committee on the District of Columbia.

By Mr. WHITENER:

H.R. 15860. A bill to establish the District of Columbia Bail Agency, and for other purposes; to the Committee on the District of Columbia.

By Mr. NELSEN:

H.R. 15861. A bill to establish the District of Columbia Bail Agency, and for other purposes; to the Committee on the District of Columbia.

By Mr. GARMATZ:

H.R. 15862. A bill to require authorization for certain appropriations for the Maritime Administration, under the Merchant Marine Act, 1936, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. LENNON:

H.R. 15863. A bill to require authorization for certain appropriations for the Maritime Administration, under the Merchant Marine Act, 1936, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. DOWNING:

H.R. 15864. A bill to require authorization for certain appropriations for the Maritime Administration, under the Merchant Marine Act, 1936, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. MAILLIARD:

H.R. 15865. A bill to amend title IX of the Merchant Marine Act, 1936, to require certain authorizations for appropriations; to the Committee on Merchant Marine and Fisheries.

By Mr. BOLAND:

H.R. 15866. A bill to provide severance pay for certain temporary employees; to the Committee on Post Office and Civil Service.

By Mr. BROYHILL of Virginia:

H.R. 15867. A bill to amend the District of Columbia Police and Firemen's Salary Act of 1958 to increase salaries of officers and members of the Metropolitan Police force and the Fire Department, and for other purposes; to the Committee on District of Columbia.

By Mr. CORMAN:

H.R. 15868. A bill to incorporate the Town Affiliation Association of the United States; to the Committee on the Judiciary.

By Mr. FOLEY:

H.R. 15869. A bill relating to termination of Federal supervision over the Confederated Tribes of the Colville Reservation; to the Committee on Interior and Insular Affairs.

By Mr. HAMILTON:

H.R. 15870. 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. SMITH of New York:

H.R. 15871. A bill to amend the tariff schedules of the United States to allow containers for certain petroleum products and derivatives to be temporarily imported without payment of duty; to the Committee on Ways and Means.

By Mr. WHITTEN:

H.R. 15872. A bill to permit the disposal of certain Federal real property for use for educational purposes; to the Committee on Banking and Currency.

By Mr. WRIGHT:

H.R. 15873. A bill to authorize the establishment of the Dinosaur Trail National Monument in the State of Texas; to the Committee on Interior and Insular Affairs.

By Mr. WYDLER:

H.R. 15874. A bill to create an Office of Aircraft Noise Abatement; to the Committee on Interstate and Foreign Commerce.

By Mr. ROSENTHAL:

H.R. 15875. A bill to amend the Federal Aviation Act of 1958 to authorize aircraft noise abatement regulation, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ADDABBO:

H.R. 15876. A bill to amend the Federal Aviation Act of 1958 to authorize aircraft noise abatement regulation, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. DEL CLAWSON:

H.J. Res. 1176. Joint resolution proposing an amendment to the Constitution of the United States pertaining to the offering of prayers in public schools and other public places in the United States; to the Committee on the Judiciary.

By Mr. KING of New York:

H.J. Res. 1177. Joint resolution proposing an amendment to the Constitution of the United States to permit voluntary participation in prayer in public schools; to the Committee on the Judiciary.

By Mr. McMILLAN:

H.J. Res. 1178. Joint resolution to authorize the Commissioners of the District of Columbia to promulgate special regulations for the period of the 93d annual session of the Imperial Council, Ancient Arabic Order of the Nobles of the Mystic Shrine for North America, to be held in Washington, D.C., in July 1967, to authorize the granting of certain permits to "Imperial Shrine Convention, 1967, Inc.," on the occasions of such sessions, and for other purposes; to the Committee on the District of Columbia.

By Mr. GONZALEZ:

H. Con. Res. 793. Concurrent resolution expressing the sense of the Congress with respect to the preservation of the west front of the Capitol of the United States; to the Committee on Public Works.

By Mr. MOORHEAD:

H. Con. Res. 794. Concurrent resolution expressing the sense of Congress on the holding of elections in South Vietnam; to the Committee on Foreign Affairs.

By Mr. BROWN of California:

H. Con. Res. 795. Concurrent resolution relating to Federal acquisition of urban park lands for nonpark use; to the Committee on Public Works.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of the rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CHELF:

H.R. 15877. A bill for the relief of Mrs. Virgie M. Bailey; to the Committee on the Judiciary.

By Mr. DELANEY (by request):

H.R. 15878. A bill for the relief of Pericles Peponias; to the Committee on the Judiciary.

By Mr. DYAL:

H.R. 15879. A bill for the relief of Joseph H. Wingo; to the Committee on the Judiciary.

By Mr. GUBSER:

H.R. 15880. A bill for the relief of Milford W. Henry; to the Committee on the Judiciary.

By Mr. HATHAWAY:

H.R. 15881. A bill for the relief of Maj. Leon F. Higgins II; to the Committee on Armed Services.

By Mr. OTTINGER:

H.R. 15882. A bill for the relief of Norris Nosworthy; to the Committee on the Judiciary.

By Mr. PHILBIN:

H.R. 15883. A bill for the relief of Richard E. Larson; to the Committee on the Judiciary.

By Mr. POWELL:

H.R. 15884. A bill for the relief of Bernardo Amato; to the Committee on the Judiciary.

H.R. 15885. A bill for the relief of Andrea Mannino; to the Committee on the Judiciary.

By Mr. ROSENTHAL:

H.R. 15886. A bill for the relief of Dr. Iluminada L. Santos; to the Committee on the Judiciary.

By Mr. ROYBAL:

H.R. 15887. A bill for the relief of Miss Pramilas Parasnis; to the Committee on the Judiciary.

By Mr. TUNNEY:

H.R. 15888. A bill to provide for the free entry of a carillon for the use of the University of California at Riverside; to the Committee on Ways and Means.

By Mr. WHITE of Idaho:

H.R. 15889. A bill for the relief of Theodore Asvestas; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

International Convention of Sertoma

EXTENSION OF REMARKS
OF
HON. JOSEPH W. MARTIN, JR.
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 22, 1966

Mr. MARTIN of Massachusetts. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to report to my colleagues that the international convention of Sertoma, the 54-year-old service-to-mankind organization, is in session this week at the Sheraton-Park Hotel from Wednesday through Saturday. Our thousand Sertomans with their wives, many of them members of the La Sertoma auxiliary, and around 250 children are expected to attend from all over the United States, Canada, Mexico, and Puerto Rico.

As an honorary Sertoman, affiliated for the past dozen years with the Washington Sertoma Club, I can speak with knowledge and authority concerning the tremendous contributions of 479 Sertoma clubs and 18,757 members in helping make life worthwhile for the afflicted and the unfortunate. Sertomans give and raise many millions of dollars for a great variety of good causes, in addition to fostering patriotism through its freedom program.

I became a Sertoman on January 30, 1954, on the occasion of the charter banquet of the Washington Sertoman Club, held at the National Press Club ballroom. I was sponsored for membership and invited to be the principal speaker by the founder and charter president, Edward R. Place, who was born in Fall River, Mass., in my district, and educated at nearby Brown University in Providence, R.I. Another prominent Sertoman, Raymond B. Leavitt, second president of the Washington club, came from Taunton in my district. Ray was appointed from my district to the U.S. Naval Academy.

Washington Sertoma Club has donated to various service-to-mankind projects $12,481.46, as of February 7, 1966, an average of more than $1,000 yearly. More than two-thirds of the charity fund has gone to the Salvation Army summer camp, Happyland, in Triangle, Va., to accommodate boys and girls, white and black, in healthful and enjoyable camping pursuits. American Cancer Society, American Hearing Society, Children's Hospital, Boys Junior-Senior High, Metropolitan Police Canine Corps, are other beneficiaries.

Disclosures of the Week—Part VII

EXTENSION OF REMARKS
OF
HON. THOMAS M. PELLY
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 22, 1966

Mr. PELLY. Mr. Speaker, once again I am pointing up a few disclosures which have come to my attention this week.

CASE 1

Revealing the extent of inflation, the National Industrial Conference Board in its "Road Maps of Industry Chart" reports that a family man with two children today must earn $13,234 a year to equal the purchasing power of $5,000 in 1939. This is due to inflation and also increased Federal income and social security taxes.

CASE 2

The Architect of the Capitol has let it be known he proposes to extend the west front of the Capitol Building to add space for restaurants, a tourist center, and additional offices. After spending $100 million on the new Rayburn Office Building with its adequate restaurant and Member's offices it is difficult to justify this addition. However, I do think it is essential that the west front of the Capitol be reinforced and needs repairs.

CASE 3

Last November the administration rolled back the price of newly mined copper to 36 cents per pound and put a ban on its export. Since then according to an editorial in the June 20, Washington, D.C., Post, the world price has risen to 62 cents a pound. So not to expand local production the General Services Administration will provide an incentive in the form of a subsidy paid for by the taxpayer.

As the Washington Post asks, would it not be better to allow copper prices in this country to rise to the world level which would encourage the use of aluminum and other substitutes and thereby reduce the consumption of inessential copper and at the same time expand copper production.

CASE 4

The Seattle, Wash., Times is critical of President Johnson's Democratic Party fundraising gimmick, the Elite President's Club.

As this paper points out, invitations to the White House should not be sold as a reward for a $10,000 contribution to the party coffers. It is indeed a misuse of what in effect is a national shrine.