the launching of the world's largest container ship. The $20 million, 34,700 deadweight ton, *Hawaiian Enterprise*, slid down the ways at Sparrows Point in Baltimore and will soon proudly join the American merchant marine. She is a beautiful ship and represents what our maritime industry at its best is capable of producing. Moreover, it is significant to note that she was built without a construction subsidy for a line which does not receive an operating subsidy.

Mr. President, I have previously mentioned that currently there is legislation before the Merchant Marine Subcommittee. This is major legislation, providing for a new national maritime program. It is the result of extensive consultations with all segments of the maritime industry.

The legislation doubles the construction differential subsidy for the next 5 years and broadens its eligibility. It authorizes $25 million per year for the research and development and sets aside $30 million per year for reconstruction of the reserve fleet. It renews and strengthens our commitment to the development of nuclear-powered ships. It establishes a new experimental operating subsidy and creates a Commission on American Shipbuilding to review the private shipbuilding industry and report to the President and Congress as how best to enhance its competitive position.

I fully support the basic thrust of this legislation and urge its enactment.

Of particular significance is the scope of the legislation. It treats the merchant marine as a whole and offers proposals that encompass a full range of maritime problems. It does not attack these problems in piecemeal fashion nor seek to advance the interests of one segment of the industry to the detriment of others. It views the merchant marine as one and tries to realize our common interest in rebuilding our entire merchant fleet. This approach is essential. We must address ourselves to the entire problem and stop offering only partial solutions that in the long run may be no solutions at all.

If the American merchant marine is to be rejuvenated, Congress must consider the full scope of the problem and act accordingly.

Mr. President, the United States is now at a crossroads. The decisions made or not made by this Congress will determine whether in fact America remains a major maritime nation.

A rich tradition of maritime preminence has been squandered. We no longer have a first rate fleet of merchant vessels. The U.S. flag is seen less and less in ports of call around the world. I do not enjoy playing the role of alarmist but the country must realize the shocking decline in our merchant marine.

I believe that the United States must embark on a major rejuvenation of our merchant fleet. I feel this effort must have a high national priority. Not to do this would be to court disaster. Our country's growth and prosperity depend on our having a strong merchant marine.

As I said at the beginning of my remarks, America's heritage has been one of the sea. This now we must not betray.

DISCHARGE OF THE COMMITTEE ON BANKING AND CURRENCY FROM FURTHER CONSIDERATION OF S. 2236 AND REFERRAL OF THE BILL TO THE COMMITTEE ON COMMERCE

Mr. BYRD of West Virginia. Mr. President, at the request of the Senator from Washington (Mr. MAGNUSON) and the Senator from Alabama (Mr. SPARKMAN), I ask unanimous consent that the Committee on Banking and Currency be discharged from the further consideration of S. 2236, to create a Federal Insurance Guaranty Corporation to protect the American public against certain insurance company insolvencies, and that the bill be referred to the Committee on Commerce.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADJOURNMENT TO THURSDAY, MAY 29, 1969

Mr. KENNEDY. Mr. President, I move that the Senate stand adjourned until noon on Thursday next, in accordance with the previous order.

The motion was agreed to; and (at 3 o'clock and 31 minutes p.m.) the Senate took an adjournment until Thursday, May 29, 1969, at 12 o'clock noon.

NOMINATIONS

Executive nominations received by the Senate May 27, 1969:

DIPLOMATIC AND FOREIGN SERVICE

Joseph J. Jova, of Florida, a Foreign Service officer of class 1, to be the Representative of the United States of America on the Council of the Organization of American States, with the rank of Ambassador.

David D. Newsom, of California, a Foreign Service officer of class 1, to be an Assistant Secretary of State.

HOUSE OF REPRESENTATIVES—*Tuesday, May 27, 1969*

The House met at 12 o'clock noon.

The Reverend J. B. Reid, pastor of Shalom Baptist Church, Newport News, Va., offered the following prayer:

Our Father God, we are humbly grateful for Thy loving kindness and Thy gracious mercy. In the midst of change and conflict, Thou hast produced men of courage. Their hearts have been imbued by Thy quickening spirit. With Thine assurance they gird themselves for the Herculean tasks incumbered upon them today and the challenges of tomorrow.

Thou who searchest the hearts of nations, give us the power to do Thy will. We acknowledge our sins. Forgive us. We are cognizant that: "Righteousness exalteth a nation; but sin is a reproach to any people."

Sinister forces, O Lord, from within and from without are seeking to destroy the foundation upon which our liberties rely. Protect our Representatives by Thy grace. Thou hast brought them to serve Thy people for such a time as this.

We ask for Thy guidance and Thy strength this day, in the name of Jesus Christ, our Lord. Amen.

THE JOURNAL

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

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Leonard, one of his secretaries, who also informed the House that on May 15, 1969, the President approved and signed bills of the House of the following titles:

H.R. 3548. An act for the relief of Dr. Roberto de la Caridad Miquel; and

H.R. 4064. An act for the relief of Ana Mae Yap-Diangco.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 133. An act to authorize the vessel *Orion* to engage in the coastwise trade;

S. 753. An act to authorize and direct the Secretary of Transportation to cause the vessel *Cap'n Frank*, owned by Ernest R. Darling, of South Portland, Maine, to be documented as a vessel of the United States with full coastwise privileges;

S. 826. An act to designate certain lands in the Seney, Huron Islands, and Michigan Islands National Wildlife Refuges in Michigan, the Gravel Island and Green Bay National Wildlife Refuges in Wisconsin, and the Moosehorn National Wildlife Refuge in Maine, as wilderness; and

S. 2224. An act to amend the Investment Company Act of 1940 and the Investment Advisers Act of 1940 to define the equitable standards governing relationships between investment companies and their investment advisers and principal underwriters, and for other purposes.

The message also announced that the Senate agrees to the amendments of the House to the bill (S. 408) to modify eligibility requirements governing the grant of assistance in acquiring specially adapted housing to include loss or loss of use of a lower extremity and other service-connected neurological or orthopedic disability which impairs locomotion to the extent that a wheelchair is regularly required, with amendments in

which the concurrence of the House is requested.

PERMISSION FOR COMMITTEE ON RULES TO FILE PRIVILEGED REPORTS

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

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

There was no objection.

ADJOURNMENT FROM WEDNESDAY, MAY 28, 1969, TO MONDAY, JUNE 2, 1969

Mr. ALBERT. Mr. Speaker, I offer a concurrent resolution (H. Con. Res. 277) and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 277

Resolved by the House of Representatives (the Senate concurring), That when the House adjourns on Wednesday, May 28, 1969, it stand adjourned until 12 o'clock meridian, Monday, June 2, 1969.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZATION FOR CLERK TO RECEIVE MESSAGES FROM THE SENATE AND THE SPEAKER TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that notwithstanding any adjournment of the House until Monday June 2, 1969, the Clerk be authorized to receive messages from the Senate and that the Speaker be authorized to sign any enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

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

There was no objection.

DISPENSING WITH BUSINESS IN ORDER UNDER THE CALENDAR WEDNESDAY RULE ON WEDNESDAY, JUNE 4, 1969

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule, June 4, 1969, may be dispensed with.

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

There was no objection.

POSTAL REFORM—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 91-121)

The SPEAKER laid before the House the following message from the President of the United States; which was read and referred to the Committee on Post Office and Civil Service and ordered to be printed:

To the Congress of the United States:

Total reform of the Nation's postal system is absolutely essential.

The American people want dependable, reasonably priced mail service, and postal employees want the kind of advantages enjoyed by workers in other major industries. Neither goal can be achieved within the postal system we have today.

The Post Office is not keeping pace with the needs of our expanding population or the rightful aspirations of our postal workers.

Encumbered by obsolete facilities, inadequate capital, and outdated operation practices, the Post Office Department is failing the mail user in terms of service, failing the taxpayer in terms of cost, and failing the postal worker in terms of truly rewarding employment. It is time for a change.

Two years ago, Lawrence F. O'Brien, then Postmaster General, recognized that the Post Office was in "a race with catastrophe," and made the bold proposal that the postal system be converted into a government-owned corporation. As a result of Mr. O'Brien's recommendations, a Presidential Commission was established to make a searching study of our postal system. After considering all the alternatives, the Commission likewise recommended a government corporation. Last January, President Johnson endorsed that recommendation in his State of the Union message.

One of my first actions as President was to direct Postmaster General Winton M. Blount to review that proposal and others. He has made his own firsthand study of the problems besetting the postal service, and after a careful analysis has reported to me that only a complete reorganization of the postal system can avert the steady deterioration of this vital public service.

I am convinced that such a reorganization is essential. The arguments are overwhelming and the support is bipartisan. Postal Reform is not a partisan political issue, it is an urgent national requirement.

CAREER OPPORTUNITIES AND WORKING CONDITIONS

For many years the postal worker walked a dead-end street. Promotions all too often were earned by the right political connections rather than by merit. This Administration has taken steps to eliminate political patronage in the selection of postal employees; but there is more—much more—that must be done.

Postal employees must be given a work environment comparable to that found in the finest American enterprises. Today, particularly in our larger cities, postal workers labor in crowded, dismal, old fashioned buildings that are little short of disgraceful. Health services, employee facilities, training programs and other benefits enjoyed by the worker in private industry and in other Federal agencies are, all too often, unavailable to the postal worker. In an age when machines do the heavy work for private companies, the postal worker still shoulders, literally, the burden of the Nation's mail. That mail fills more than a billion sacks a year; and the men and women who move those sacks need help.

Postal employees must have a voice in determining their conditions of employment. They must be given a stake in the quality of the service the Department provides the public; they must be given a reason for pride in themselves and in the job they do. The time for action is now.

HIGHER DEFICITS AND INCREASING RATES

During all but seventeen years since 1838, when deficit financing became a way of life for the Post Office, the postal system has cost more than it has earned.

In this fiscal year, the Department will drain over a billion dollars from the national treasury to cover the deficit incurred in operating the Post Office. Over the last decade, the tax money used to shore up the postal system has amounted to more than $8 billion. Almost twice that amount will be diverted from the Treasury in the next 10 years if the practices of the past are continued. We must not let that happen.

The money to meet these huge postal deficits comes directly out of the taxpayer's pocket—regardless of how much he uses the mails. It is bad business, bad government, and bad politics to pour this kind of tax money into an inefficient postal service. Every taxpayer in the United States—as well as every user of the mails—has an important stake in seeing that the Federal Government institutes the kind of reform that is needed to give the nation a modern and well managed postal system. Without such a system Congress will either have to raise postage rates far above any level presently contemplated, or the taxpayers will have to shoulder the burden of paying postal deficits the like of which they have never seen before.

Neither alternative is acceptable. The Nation simply cannot afford the cost of maintaining an inefficient postal system. The will of the Congress and the will of the people is clear. They want fast, dependable and low-cost mail service. They want an end to the continuing cycle of higher deficits and increasing rates.

QUALITY POSTAL SERVICE

The Post Office is a business that provides a vital service which its customers, like the customers of a private business, purchase directly. A well managed business provides dependable service; but complaints about the quality of postal service under existing procedures are widespread. While most mail ultimately arrives at its destination, there is no assurance that important mail will arrive on time; and late mail—whether a birthday card or a proxy statement—is often no better than lost mail.

Delays and breakdowns constantly threaten the mails. A complete breakdown in service did in fact occur in 1966 in one of our largest cities, causing severe economic damage and personal hardship. Similar breakdowns could occur at any time in many of our major post offices. A major modernization program is essential to insure against catastrophe in the Post Office.

A modern postal service will not mean

fewer postal workers. Mail volume—tied as it is to economic activity—is growing at such a rate that there will be no cutback in postal jobs even with the most dramatic gains in postal efficiency. Without a modernized postal system, however, more than a quarter of a million new postal workers will be needed in the next decade simply to move the growing mountain of mail. The savings that can be realized by holding employment near present levels can and should mean more pay and increased benefits for the three quarters of a million men and women who will continue to work in the postal service.

OPPORTUNITY THROUGH REFORM

While the work of the Post Office is that of a business enterprise, its organization is that of a political department. Traditionally it has been run as a Cabinet agency of the United States Government—one in which politics has been as important as efficient mail delivery. Under the present system, those responsible for managing the postal service do not have the authority that the managers of any enterprise must have over prices, wages, location of facilities, transportation and procurement activities and personnel policy.

Changes in our society have resulted in changes in the function of the Post Office Department. The postal system must be given a non-political management structure consistent with the job the postal system has to perform as a supplier of vital services to the public. Times change, and now is the time for change in the postal system.

I am, therefore, sending to the Congress reform legislation entitled the Postal Service Act of 1969.

POSTAL SERVICE ACT OF 1969

The reform that I propose represents a basic and sweeping change in direction; the ills of the postal service cannot be cured by partial reform.

The Postal Service Act of 1969 provides for:

—Removal of the Post Office from the Cabinet;

—Creation of an independent Postal Service wholly owned by the Federal Government;

—New and extensive collective bargaining rights for postal employees;

—Bond financing for major improvements;

—A fair and orderly procedure for changing postage rates, subject to Congressional review;

—Regular reports to Congress to facilitate Congressional oversight of the postal system;

—A self-supporting postal system.

The new government-owned corporation will be known as the United States Postal Service. It will be administered by a nine-member board of directors selected without regard to political affiliation. Seven members of the board, including the chairman, will be appointed by the President with the advice and consent of the Senate. These seven members will select a full-time chief executive officer, who will join with the seven others to select a second full-time executive who will also serve on the board.

Employees will retain their Civil Service annuity rights, veterans preference, and other benefits.

The Postal Service is unique in character. Therefore, there will be, for the first time in history, true collective bargaining in the postal system. Postal employees in every part of the United States will be given a statutory right to negotiate directly with management over wages and working conditions. A fair and impartial mechanism—with provision for binding arbitration—will be established to resolve negotiating impasses and disputes arising under labor agreements.

For the first time, local management will have the authority to work with employees to improve local conditions. A modernization fund adequate to the needs of the service will be available. The postal worker will finally take his rightful place beside the worker in private industry.

The Postal Service will become entirely self-supporting, except for such subsidies as Congress may wish to provide for specific public service groups. The Postal Service, like the Tennessee Valley Authority and similar public authorities, will be able to issue bonds as a means of raising funds needed for expansion and modernization of postal facilities and other purposes.

Proposals for changes in classes of mail or postage rates will be heard by expert rate commissioners, who will be completely independent of operating management. The Board of the Postal Service will review determinations made by the Rate Commissioners on rate and classification questions, and the Presidentially appointed members of the board will be empowered to modify such determinations if they consider it in the public interest to do so.

Congress will have express authority to veto decisions on rate and classification questions.

The activities of the Postal Service will be subject to Congressional oversight, and the Act provides for regular reports to Congress. The Postal Service and the rules by which it operates can, of course, be changed by law at any time.

TOWARD POSTAL EXCELLENCE

Removing the postal system from politics and the Post Office Department from the Cabinet is a sweeping reform.

Traditions die hard and traditional institutions are difficult to abandon. But tradition is no substitute for performance, and if our postal system is to meet the expanding needs of the 1970s, we must act now.

Legislation, by itself, will not move the mail. This must be done by the three-quarters of a million dedicated men and women who today wear the uniform of the postal service. They must be given the right tools—financial, managerial and technological—to do the job. The legislation I propose today will provide those tools.

There is no Democratic or Republican way of delivering the mail. There is only the right way.

This legislation will let the postal service do its job the right way, and I strongly recommend that it be promptly considered and promptly enacted.

RICHARD NIXON.

THE WHITE HOUSE, *May 27, 1969.*

POSTAL REFORM

(Mr. GERALD R. FORD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GERALD R. FORD. Mr. Speaker, it is often true that what we need the most for our own well-being we assiduously avoid. There is little question in my mind that complete redirection of our postal system is, as President Nixon today has told us, "absolutely essential."

There is also little question in my mind that if the sweeping reforms proposed by the President are to become reality, it will only be because postal employees finally recognize that the proposed new U.S. postal service is in their own self-interest.

Mr. Speaker, the American people want a thorough-going change in the operations of the Post Office Department. They want improved, efficient, fast mail delivery. The taxpayers want postal reform. They are sick of subsidizing the Post Office Department to the tune of nearly a billion dollars a year. I do not think anyone will have to sell the President's proposed new postal service to the people.

But the President and all others who recognize the imperative need for putting delivery of the mail on a business basis will have to do a selling job on postal employees and Congress.

Mr. Speaker, I believe the proposed creation of a Government corporation to run the U.S. postal service is an idea whose time has come. This is not a partisan political issue. Former Postmaster General Lawrence O'Brien strongly supports the new concept for an improved mail service.

The time has come because all of the facts show postal reform to be in the enlightened self-interest of all of the American people, including our 750,000 postal employees.

Regrettably I understand that representatives of postal employees have vowed to fight the proposal for a Postal Service Corporation down to the last mail bag. It is my guess that their views will change when they see what it will mean in terms of their own self-interest.

Whatever the significance for other Federal employees, the fact remains that postal workers under the President's reform plan will be able to engage in true collective bargaining for the first time. In addition, the plan calls for binding arbitration of stalemated disputes.

As President Nixon expressed it:

> The postal worker will finally take his rightful place beside the worker in private industry.

Mr. Speaker, Congress must take every vestige of politics out of our postal system. Postal reform deserves the support of every Member of Congress, regardless of party.

Mr. STEIGER of Wisconsin. Mr. Speaker, President Nixon today earned the respect of every American who has ever mailed a letter by the courage and scope of his message urging total reform of the postal system.

The President has clearly defined the problem of deteriorating service when he states:

The Post Office Department is failing the mail user in terms of service, failing the taxpayer in terms of cost, and failing the postal worker in terms of truly rewarding employment.

Increasingly I have received letters from postal workers describing antiquated and unfair conditions, and complaining that they must come begging to Congress for additional wages and benefits. It is little wonder that the postal worker is demoralized. Our postal system is encumbered by obsolete facilities and equipment; inadequate capital and outdated operation practices.

I am very pleased, therefore, that President Nixon has given first importance to the postal workers in his reform.

This is a continuation of the Presidential concern initially demonstrated in his Executive action to take politics out of the Post Office. In his message to Congress at that time, the President stated:

The change would expand opportunities for advancement on the part of our present postal employees. These are hard-working and loyal men and women. In the past, many of them have not received adequate recognition or well-deserved promotions for reasons which have had nothing to do with their fitness for higher position or the quality of their work.

The postal service is in danger of complete collapse. Breakdowns such as occurred at the Chicago post office during the Christmas rush of 1966 can occur at any time.

Postal officials of both political parties have been appalled at the condition of the postal service. Thirteen years ago, President Eisenhower's Postmaster General said:

While American business was making rapid progress in materials handling techniques, in accounting and financial practices, in transportation methods, and in employee relations, the Postal Service has stood practically still in its operating methods.

The situation went from bad to worse until 2 years ago, President Johnson's Postmaster General said the Post Office was in "a race with disaster."

The postal reform bill proposed by President Nixon is a reasonable and balanced approach to dependable mail service. It deserves prompt consideration and passage.

Mr. TAFT. Mr. Speaker, President's message on postal reform concerns itself with the four basic problems of postal service in the United States:

The problem of people: The people who work for the postal system "want the kind of advantages enjoyed by workers in other major industries." The proposed "new and extensive bargaining rights for postal employees" deal directly with the needs of the postal workers.

The problem of service: Current postal service is, to use the most charitable word, erratic. Bond financing for major improvements coupled with overall postal reform will improve this service.

The problem of organization: The Post Office is currently organized along lines suitable perhaps to another age but not to this one. The removal of the Post Office from the Cabinet and the "creation of an independent postal service wholly owned by the Federal Government" are two means by which needed reorganization will take place.

The problem of money: The Post Office now costs too much and delivers too little service. The President's call for "a fair and orderly procedure for changing postal rates, subject to Congressional review" plus the efficiency gained by modern business techniques will make the creaky, inadequate high-priced service a thing of the past.

Four problems—four major solutions: The President and the Postmaster General have demonstrated that reason, commonsense, and courage to take new and bold courses can breath new life into a system even as far gone as our postal system.

Mr. CRAMER. Mr. Speaker, I am delighted that the administration has taken the initiative in sending to the Congress a bill calling for needed reform of the Nation's postal system. I wholeheartedly agree that the postal system is in need of a revamping and I intend to support any reasonable and responsible measure to accomplish this end.

In particular, I believe any reorganization of the postal system should include means for adequate financing, improved employer-employee relations, better salaries for the employees, significantly greater job security, and of equal importance, a method for providing faster and more reliable and better organized postal service to the postal patrons in the United States.

It is my belief that postal reform cannot wait any longer. All who are in a position to know agree that the Post Office department presently has antiquated procedures which can only be corrected by sweeping organizational reform.

I again commend the administration for taking the first needed step of bringing the matter of postal reform before the Congress and I am hopeful that legislation dealing with this problem will be accomplished this year.

Mr. BUSH. Mr. Speaker, President Nixon and Postmaster Blount are to be commended for their efforts to provide a more efficient postal system while at the same time protecting the postal working men and women. The proposal the President submitted to the Congress today is extremely forward thinking and recognizes the needs of the American public for improved postal service and the needs for the postal workers for improved working conditions.

The Post Office Department has a unique opportunity—and, therefore, a unique responsibility—to be a model employer. The Post Office Department is in every community throughout the land. It pervades our economy. Close to one out of every 110 gainfully employed persons in this country works for the Post Office Department. If each of these employees had a sense of satisfaction and a sense of dedication about his employment, the benefit to the Nation as a whole would be immeasurable.

But Post Office employment falls woefully short of what it should be. Working conditions are often deplorable. And worse than the frequently archaic and cramped physical plant is the atmosphere of helplessness that pervades too many post offices. When dedicated people see about them conditions which they cannot correct, dedication turns to discouragement and despair. The Post Office is also faced with ever-increasing difficulty in attracting capable employees. Turnover rates are startlingly high. Some of the reasons for this are the inadequate opportunities for advancement and the fact that Congress has chained the postal service to rigid nationwide wage rates.

So postal reform is long overdue. And I am delighted by the clear stated intention of our President and Postmaster General to change things. I believe that the proposal sent to Congress today will go a long way toward solving the problems our postal system faces and the problems faced by its employees. I am happy to support the administration in its efforts to effect this much needed reform.

Mr. RHODES. Mr. Speaker, I for one have always agreed with those who say neither snow nor rain nor heat nor gloom of night can interfere with the services provided by the U.S. Post Office. I have agreed because it seemed obvious to me that man had botched up postal service so much there was not anything left for meteorological forces to interfere with.

But what man has done in certain cases, he can undo. The President's call for sweeping postal reform is an historic and long-awaited call to action.

His proposed Postal Service Act of 1969 is the Magna Carta of the Mail. He has shown the three essential qualities of leadership, qualities which have been demonstrated again and again during these first few months of this administration.

He has shown courage—courage to tell the truth about political mismanagement, terrible working conditions for postal workers and the need for overall instead of patchwork reform.

He has shown imagination—imagination in his call for removal of the Post Office from the Cabinet, creation of an independent postal service wholly owned by the Government, and collective bargaining rights for postal employees.

He has shown concern—concern for postal employees, for the citizens who use the postal services and for all Americans who suffer from inadequate, high-cost postal services.

The President's message points to a great day when, in the field of postal service, all we will have to worry about is the weather.

GENERAL LEAVE

Mr. GERALD R. FORD. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the subject of the President's message on postal reform.

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

There was no objection.

OLD GLORY MUST FLY ON THE MOON

(Mr. RARICK asked and was given permission to address the House for 1

minute and to revise and extend his remarks.)

Mr. RARICK. Mr. Speaker, I join with millions of our fellow countrymen in applauding the successful Apollo X flight, and the safe return of our three astronauts to the United States. My congratulations go out to our space pioneers, Stafford, Young, and Cernan.

Mr. Speaker, I have consistently supported every space program because I sincerely believe the United States must maintain its leadership in the exploration of outer space as a matter vital to our national interest. We cannot tolerate space superiortiy by a hostile power.

And I am very concerned over the reluctance of our space administration people to confirm or deny to our citizens that our astronauts on reaching the moon may not be authorized to erect the U.S. flag.

Certainly the aerospace program is a U.S. commitment, made possible only by U.S. tax dollars, U.S. technology and the fearlessness of the U.S. astronauts—some of whom have given their lives in this cause. To raise any other than the U.S. flag would be dishonest and inappropriate. When our men land on the moon, history and national pride demand that Old Glory be raised there.

I ask that our colleagues join in insisting that the flag of the United States be permanently emplaced on the moon—and that flag be one flown first over the U.S. Capitol.

I include a letter from NASA:

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION,
Washington, D.C., May 23, 1969.

Hon. JOHN RARICK,
House of Representatives,
Washington, D.C.

DEAR MR. RARICK: We have received your inquiry on behalf of a constituent, concerning the possibility that the first astronauts on the moon may erect a United Nations flag.

As we approach the time when we may attempt the first manned landing on the moon, we are giving consideration to the symbolic articles, such as flags, emblems, or other articles, that should be carried on this historic mission, including articles to be left on the moon to commmemorate the landing and those that might be taken to the moon and brought back to earth for permanent display. Before making decisions on these matters, a careful review is being made within NASA, taking account of the many suggestions received from outside the Agency.

We appreciate knowing of your constituent's expression of concern, and assure you that all viewpoints will be seriously considered before decisions are reached.

Sincerely yours,

ROBERT F. ALLNUTT,
Assistant Administrator for Legislative Affairs.

DEPARTMENT OF AGRICULTURE AND RELATED AGENCIES APPROPRIATIONS, 1970

Mr. WHITTEN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 11612) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1970, and for other purposes.

CALL OF THE HOUSE

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

The SPEAKER. The gentleman from New York makes the point of order that a quorum is not present, and 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. 63]

Anderson, Calif.	Dwyer	Price, Tex.
Ashley	Edwards, La.	Randall
Bates	Evins, Tenn.	Rees
Bell, Calif.	Ford, William D.	Reifel
Berry	Foreman	Rosenthal
Bingham	Gallagher	Roudebush
Blatnik	Gettys	Roybal
Boland	Goldwater	Sandman
Brown, Calif.	Hébert	Scherle
Burleson, Tex.	Helstoski	Scheuer
Burton, Calif.	Holifield	Stephens
Cahill	Hunt	Stratton
Carey	Kirwan	Stubblefield
Chisholm	Kuykendall	Symington
Clark	Kyl	Teague, Calif.
Clawson, Del	Latta	Thompson, Ga.
Colmer	McClure	Thomson, Wis.
Conyers	Macdonald, Mass.	Tunney
Corbett	Martin	Watts
Corman	Mollohan	Weicker
Cowger	Morton	Wiggins
Cunningham	Pike	Wilson, Bob
de la Garza	Pollock	Wold
Dowdy	Powell	Young
Dulski		

The SPEAKER. On this rollcall 360 Members have answered to their names, a quorum.

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

MODIFYING ELIGIBILITY REQUIREMENTS GOVERNING GRANT OF ASSISTANCE IN ACQUIRING SPECIALLY ADAPTED HOUSING TO CERTAIN VETERANS

Mr. TEAGUE of Texas. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 408) to modify eligibility requirements governing the grant of assistance in acquiring specially adapted housing to include loss or loss of use of a lower extremity and other service-connected neurological or orthopedic disability which impairs locomotion to the extent that a wheelchair is regularly required, with Senate amendments to the House amendments, and concur in the Senate amendments to the House amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments to the House amendments, as follows:

Page 1, line 4, of the House engrossed amendments, strike out "'$15,000'" and insert "'$12,500'".

Page 1, strike out all after line 4 over to and including line 2 on page 2, of the House engrossed amendments, and insert:

"SEC. 3. Section 1811(d) of title 38, United States Code, is amended by striking out '$17,500' each place where it appears therein and inserting in lieu thereof in each such place '$21,000'."

Mr. TEAGUE of Texas. Mr. Speaker, the motion that I have made will send the bill to the White House. As passed by the Senate, the measure enlarged the class of beneficiaries for paraplegic housing to include those who had lost one extremity and who had a residual of a disease which preclude locomotion without a wheelchair. The House in passing the bill as reported unanimously by the Committee on Veterans' Affairs increased the amount of the paraplegic grant from $10,000 to $15,000. This grant had not been increased since 1948 when the law was first passed. Since that time housing costs have more than doubled. Our committee felt that we were acting in a conservative and responsible way in providing for a 50-percent increase which has now been reduced by one-half by the Senate action. The House also increased the amount of direct loans from $17,500 to $25,000. The Senate amendment reduced it to $21,000. The House also provided loan guarantee eligibility for those individuals who live in satellite towns and who wish to participate in the Veterans' Administration loan guarantee program. The Senate accepted that amendment.

Mr. Speaker, I am concurring in these amendments by the Senate with considerable reluctance in an effort to get a bill passed as promptly as possible. I feel that the action of the Senate is unduly restricted and not in accordance with the economic facts of life with which we are faced today.

The Senate made one other amendment of a technical nature. The existing law permitted direct loans to be made in certain areas where such action was warranted in the discretion of the administrator up to $25,000. The House in passing the bill had eliminated that provision because a general limit of $25,000 was set. The Senate has restored this previous discretionary limit of $25,000 and my motion would concur in that action also.

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

Mr. GROSS. Mr. Speaker, reserving the right to object, I would like to ask a question of the gentleman from Texas (Mr. TEAGUE), and that is this, if all amendments are germane to this bill?

Mr. TEAGUE of Texas. Mr. Speaker, if the gentleman will yield, all amendments are germane.

Mr. GROSS. I thank the gentleman.

Mr. Speaker, I withdraw my reservation of objection.

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

Mr. HALL. Mr. Speaker, further reserving the right to object, as I understand it, if the distinguished gentleman would reply, this is the bill that passed the House on the Consent Calendar the other day for the paraplegics and other veterans, making those in our current conflict eligible, and also raising the housing allowance for those requiring special types of habilitation.

The gentleman says the Senate amendments are germane. Do I also understand that they have reduced the amounts payable to these needy veterans in either the paraplegic or multiple-am-

putee categories? Is this acceptable to the distinguished chairman of the Committee on Veterans' Affairs?

Mr. TEAGUE of Texas. Mr. Speaker, if the gentleman will yield, well, I do not think it should have been reduced, but in order to get a bill through I did confer with the minority members and we reluctantly agreed to the amendments.

Mr. HALL. Mr. Speaker, does the distinguished gentleman, the chairman of the House Committee on Veterans' Affairs, who has done so much for veterans in the field of housing, feel that in order for the expeditious handling of the bill that the Senate amendments, even though they are reduced in places where one feels we are being penny wise and pound foolish, is more important than a conference with the other body wherein with the gentleman's expertise he might work out this problem for the betterment of the veterans?

Mr. TEAGUE of Texas. Yes, I do. However, our committee will be taking up the subject of housing later in this session and I would like at this time for this legislation to go on through.

Mr. HALL. Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

The Senate amendments to the House amendments were concurred in.

A motion to reconsider was laid on the table.

DEPARTMENT OF AGRICULTURE AND RELATED AGENCIES APPROPRIATIONS, 1970

Mr. WHITTEN. Mr. Speaker, I renew my motion that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 11612) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1970, and for other purposes.

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

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 11612, with Mr. WRIGHT in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday, the Clerk had read through line 3 on page 26 of the bill.

If there are no amendments to be offered at this point, the Clerk will read.

The Clerk read as follows:

GENERAL ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses of the Office of the Secretary of Agriculture and for general administration of the Department of Agriculture, repairs and alterations, and other miscellaneous supplies and expenses not otherwise provided for and necessary for the practical and efficient work of the Department of Agriculture, and not to exceed $5,000 for employment under 5 U.S.C. 3109, $4,838,000: *Provided*, That this appropriation shall be reimbursed from applicable appropriations for travel expenses incident to the holding of hearings as required by 5 U.S.C. 551–558: *Provided further*, That not to exceed $2,500 of this amount shall be available for official reception and representation expenses, not otherwise provided for, as determined by the Secretary: *Provided further*, That not to exceed $250,000 of funds contained in the Working Capital Fund established under authority of Public Law 78–129 may be used to carry out responsibilities under the Civil Rights Act of 1964.

AMENDMENT OFFERED BY MR. FINDLEY

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

The Clerk read as follows:

Amendment offered by Mr. FINDLEY: On page 30, line 19, strike the period and insert the following: ": *Provided further*, That the Agricultural Act of 1949, as amended, is amended by repealing section 103(d) (12)."

Mr. WHITTEN. Mr. Chairman, I reserve a point of order against the amendment.

The CHAIRMAN. The gentleman from Mississippi reserves a point of order.

Mr. FINDLEY. Mr. Chairman, the cotton program contains what is called the snapback provision on which this body heard considerable comment yesterday. I believe all are agreed who are critical of the cotton program that this is an undesirable feature. I view it in that light myself.

It was put in the program in order to provide a fallback in the event that a limitation on payment should subsequently be voted by Congress.

The purpose of this amendment is to strike that provision from the law.

I might add, too, that even though the snapback creates an element of uncertainty as to just how the cotton program would be carried out, nevertheless I feel that it is possible for the Department of Agriculture to carry out the snapback provision in a manner that will still be subject to the $20,000 limitation amendment which was accepted by the Committee yesterday.

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

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

Mr. GERALD R. FORD. Mr. Chairman, as I understand the amendment offered by the gentleman from Illinois, it would in effect repeal the 1965 snapback provision in the existing legislation?

Mr. FINDLEY. Exactly.

Mr. GERALD R. FORD. If his amendment is not approved, does the gentleman agree with the figures that were discussed yesterday during the consideration of the appropriation bill that there would be an additional $160 million cost to the program under the Conte amendment.

Mr. FINDLEY. I must respond this way: that I believe it is conceivable that the snapback provision could be carried out in such a manner as to increase costs of the program, but I believe it is also conceivable that the snapback provision, providing as it does a latitude of choice and ways for the Secretary to go, could be administered in a manner as to reduce considerably the cost of the cotton program as compared with the cost for 1968.

I would be glad to elaborate on that.

Mr. GERALD R. FORD. But the effort of the gentleman at this time by his amendment is to a degree an admission that it could be a greater cost to the taxpayers as a consequence of the amendment which was agreed to in the Committee of the Whole?

Mr. FINDLEY. That is assuming unwise administration. I do not accept that assumption.

Mr. GERALD R. FORD. Let me add one other point, if I might.

Under the limitation, up to $20,000 would be paid in the regular way. But it is also true that the remainder that would be owed to the farmer or to the farm up to the amount previously obligated would come from another fund; is that correct?

Mr. FINDLEY. I am sorry, I must say I did not follow the gentleman's question.

Mr. GERALD R. FORD. Well, it would be agreed under the Conte amendment limitation that any farmer or farm could get up to $20,000.

Mr. FINDLEY. That is correct. It would establish such limitation.

Mr. GERALD R. FORD. Under the snapback provision in the existing law, is it not true that further sums or payments under that law would also be paid?

Mr. FINDLEY. It depends on the administration. If the Secretary should elect to go with the authority for simultaneous purchase and sale, it is my belief, and I have not had anyone in the Department seriously challenge this, the Department can construe simultaneous purchase and sale as another form of direct payment and, therefore, subject to the limitation.

Mr. GERALD R. FORD. But the intent of the law when Congress passed the snapback provision was to make full payment, regardless of any limitation.

Mr. FINDLEY. That is correct. But I would like to say that the intent of the Congress expressed in the payment limitation amendment came after the snapback was voted by the Congress.

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

Mr. FINDLEY. I yield to the gentleman.

Mr. DENNEY. Is it not true that with the snapback provisions in there that the Secretary would be required to pay 65 percent of parity; that is, a very minimum up to 90 percent?

Mr. FINDLEY. Yes; that is assuming he does not go by the simultaneous purchase and sale route.

Mr. DENNEY. He has the other alternative.

Mr. FINDLEY. If he goes by the simultaneous purchase and sale route, it would properly be considered as a direct payment.

Mr. DENNEY. That is right, and there is no guarantee if he would go by that route that your $20,000 limitation would apply on that type of procedure; is there?

Mr. FINDLEY. Assuming good administration—and I am glad to make that assumption—I feel that the $20,000 limitation would apply. But I might also add

that the rule of germaneness does not apply in the other body and the Senate will have the opportunity to consider striking this snapback. It is also fair to say that the Committee on Agriculture, that is the legislative committee, would take note of this limitation on payments and very likely would be in session the very next morning considering additional cotton legislation.

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

Mr. DENNEY. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for an additional minute.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. DENNEY. Is it not true at this time under present parity prices, that cotton support price is at 43 percent of parity?

Mr. FINDLEY. I have heard that 65 percent of parity on cotton, 1-inch Upland Middling cotton, is about 30 cents a pound, but how that translates in terms of payments, I am not quite sure.

Mr. DENNEY. I think research will show that present price support is about 43 percent. So if your amendment goes through, we are definitely faced with a minimum of 65 percent on the buy and sell procedure which you originally were talking about here. Then there is the question of whether or not there is a $20,000 limitation. So it is conceivable that this amendment could cost $160 million more than the $300 million that it saves.

If that happens, then it is conceivable that the small farmer, because that will come out of the Commodity Credit Corporation funds, could lose by virtue of this amendment; is that not true?

Mr. FINDLEY. In this world where we are hopping to the moon and back, almost anything is conceivable—but I do not think the assumption is a reasonable one to make.

Mr. DENNEY. Do you agree that this administration has only had 4 months to try to work out the problem in this agricultural fiasco and then do you agree that there should be some limitation on some of these farm subsidy programs, and possibly we should give the administration time to get a bill before the Committee on Agriculture and to the Committee on Appropriations?

Mr. FINDLEY. They have ample time between now and when the limitation amendment will be effective to come up with a new program and get it enacted by the Congress. So I view this as a valuable spur to the legislative process.

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

(On request of Mr. GERALD R. FORD, and by unanimous consent, Mr. FINDLEY was allowed to proceed for 5 additional minutes.)

Mr. WHITTEN. Mr. Chairman, my reservation still applies, does it not?

The CHAIRMAN. The gentleman from Mississippi still reserves his point of order against the amendment, but the unanimous-consent request that the gentleman from Illinois may be allowed 5 additional minutes finds no objection, therefore the gentleman from Illinois is recognized for 5 minutes.

Mr. FINDLEY. May I just make a comment to explain in part why I have offered the amendment. In the past couple of months I have had a number of discussions with officials of the Department of Agriculture as to the problems they might encounter administratively should a limitation on payments be enacted by the Congress. They did express concern about the snapback provision, and I assured them that if a limitation amendment was successful, I would do the best I could to get a second amendment accepted by the House which would have the effect of eliminating what they considered to be a troublesome problem.

Mr. GERALD R. FORD. Mr. Chairman, will the gentleman yield further?

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

Mr. GERALD R. FORD. This morning the implications of the so-called Conte amendment were discussed at the White House with Secretary of Agriculture Hardin. Secretary Hardin stated that he felt obligated to carry out the provisions of the snapback law as Congress intended, and if that were done—and he indicated that it was their responsibility to do so—the Conte amendment would place an additional burden on the taxpayers to the extent of $160 million. I have a great deal of faith in the integrity and the knowledge of the Secretary of Agriculture, and when he tells me that he is obligated to carry out the law which the gentleman now wants to repeal, the continued existence of which law will cost $160 million more because of the Conte amendment, I am going to vote against the Conte amendment.

Mr. FINDLEY. Of course, the gentleman has an advantage on me because I was not present at that discussion. But did the Secretary consider the alternative which is written into the snapback provision which would give him this other course of action to take if he elected to do so, that is, the simultaneous purchase and sale route?

Mr. GERALD R. FORD. I assume that the Secretary of Agriculture, who had one or more of his advisers with him, had considered that possibility. But he stated categorically that he would be obligated to carry out the so-called snapback provision of the existing law, and as a consequence, the additional burden to the taxpayer would be $160 million as a result of the Conte amendment.

Mr. FINDLEY. The gentleman makes a very good argument for the amendment I have now offered. Also may I express the hope that either by the amendment now before the House or by some subsequent action in the Senate or otherwise we can eliminate the snapback provision?

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

Mr. FINDLEY. I am glad to yield to the gentleman from Minnesota.

Mr. LANGEN. Is it not true that this kind of demonstrates the folly of the amendment we adopted yesterday as well as the one now proposed?

Mr. FINDLEY. No, I think it clearly demonstrates that the House does have a means to put a spur on the legislative process when there has been such a long lapse of time without any action whatever.

Mr. LANGEN. What we are talking about is a snapback provision, but the amendment applies only to crops planted during the fiscal year 1970. None of those provisions will go into effect until after the moneys in this appropriation bill have long been expended. So consequently you cannot associate the moneys in this bill with the provisions of the snapback language which would apply to a crop that will not even be harvested.

Mr. FINDLEY. I must interrupt to say that the moneys provided in this bill will affect the salaries of those officials who would formulate the programs for the 1970 crops.

Furthermore, as the gentleman very well knows, under the provisions of the Feed Grains Act there is a provision for advance payment in the springtime, which would clearly cover this period.

Mr. LANGEN. There is no provision in the appropriation bill for such payment. The past administration recommended that it be eliminated, and there are no moneys in the appropriation bill for that purpose.

Mr. FINDLEY. Is there anything in the statute to prevent advance payments?

Mr. LANGEN. When we are talking about a snapback provision, we are talking about a provision which is to apply to the crops planted in fiscal 1970, which means planting after July 1 of this year. Those crops will not become subject to any kind of payment while these moneys are available for expenditure.

Mr. FINDLEY. Can the gentleman clear up whether he is for the amendment, offering an amendment to the amendment, or just what?

Mr. LANGEN. I just indicated to the gentleman that both this amendment and the one yesterday will not serve a proper purpose in limiting expenditures.

Mr. FINDLEY. If that is true then there is nothing for him to worry about.

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

(On request of Mr. HUNGATE, and by unanimous consent, Mr. FINDLEY was allowed to proceed for an additional minute.)

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

Mr. FINDLEY. I yield to the gentleman from Missouri.

Mr. HUNGATE. Mr. Chairman, I commend the gentleman on his courage and I would say that I believe now there really was a Daniel and he did go into the lion's den.

I ask the gentleman if this amendment is similar to the one that was adopted in a previous Congress and deleted in the Senate.

Mr. FINDLEY. This amendment, or one with the same effect, was a part of the amendment which was voted by the House on July 31 last year. Unhappily, under the rules applying to appropriation bills, such is subject to a point of order, and the gentleman from Mississippi will, no doubt, make the point of order. But that does not mean we are unable to take some means of getting the snapback provision out of the law—and I believe we can. I would believe the

Senate, if it accepts the limitation, will also take the necessary measures to eliminate the snapback provision.

Mr. HUNGATE. Mr. Chairman. I thank the gentleman from Illinois.

The CHAIRMAN. The gentleman from Mississippi reserved a point of order.

Mr. WHITTEN. Mr. Chairman, I reserved a point of order and I would like to be heard in support of it.

Mr. Chairman, the colloquy that has taken place has gone rather far afield. But if I may presume on the House a little bit, I would like to recite a little history which makes it quite clearly subject to a point of order.

I must again point out that the Commodity Credit Corporation is a corporation with all the rights and powers of a corporation. Yesterday the Chair held—and I may say I still differ respectfully with the point of view—that this amendment or limitation was in order since it would apply to the money in this bill. If that language should stay, it means all the payments throughout the country of $20,000 and under would be paid from the money in this bill.

But I, in turn, will point out again the authority of the Corporation and its obligations and commitments both under the law and under its charter. We have put this language in our report and it is surplusage, but we merely wished to call to the attention of the Members conditions as they exist, and I will read:

If necessary to perform the functions, duties, obligations or commitments of the Commodity Credit Corporation, administrative personnel and others serving the Corporation shall be paid from funds on hand or from those funds received from the redemption or sale of commodities. Such funds shall also be available to meet program payments, commodity loans, or other obligations of the Corporation.

So as the matter now stands, every recipient of a $20,000 payment or less will get it from this money. Every recipient of more than that should, under the obligations and authority of the CCC, get his money from the Corporation from assets it has on hand today, and its total assets, including cash loans outstanding and commodities it owns, amounts to around $5.6 billion.

As I pointed out yesterday, it would result in two sets of books, and might result in buying computers and having extra personnel.

What the gentleman tried to do yesterday and what the gentleman comes in and tries to do today is to repeal other legislation by language in an appropriation bill. The gentleman got by with a ruling yesterday, and now he wants the rest of the hog. He wants to repeal outright the basic Farm Act which provides the so-called snapback language, and this differs somewhat from the interpretations of my friend, the gentleman from Illinois. This snapback provision says, on page 156 of the "Compilation of Statutes Relating to Agriculture," issued January 1, 1969, as follows:

Notwithstanding any other provision of this Act, if, as a result of limitations hereafter enacted with respect to price support under this subsection, the Secretary is unable to make available to all cooperators the full amount of price support . . . price support to cooperators shall be made available for such crop . . . at such level not less than 65 per centum nor more than 90 per centum . . .

Sixty-five percent of parity would raise the present price we guarantee on loans on cotton from 22-and-a-fraction cents to 30-some-odd cents. We can see the extra cost there.

My colleague from Illinois says that provision also says the Secretary may purchase the cotton and resell. It does provide that, but it says he must purchase at from 65 to 90 percent of parity.

I respectfully submit that this is an outright repeal of that section of the Agricultural Farm Act which Congress extended last year. As such it is all legislation; not just a little legislation on an appropriation bill. It is fully and entirely a repeal of that part of the Agricultural Act of 1968.

For that reason I renew my point of order.

The CHAIRMAN. Does the gentleman from Illinois desire to be heard on the point of order?

Mr. FINDLEY. Very briefly, Mr. Chairman.

The CHAIRMAN. The Chair will hear the gentleman.

Mr. FINDLEY. Mr. Chairman, I really cannot insist it is not subject to a point of order, but I do take this opportunity to clarify one item.

The gentleman mentioned it authorized the Secretary to purchase and then to resell. The expression in the snapback provision is simultaneous purchase and sale, which is a bit different from what one might ordinarily deduce from the words the gentleman used. Simultaneous purchase and sale would be the equivalent of a direct payment to the farmer involved.

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

Mr. FINDLEY. I yield to the gentleman.

Mr. WHITTEN. The language says that under those circumstances the Secretary may purchase cotton at the support price and resell at a lower price, or make loans. I respectfully submit that the section merely says he may purchase at the lower level, which would be 65 percent. He can either make a loan at 30 some-odd cents or buy at 30 some-odd cents and then sell it for the world price.

The reason why the farmer is in this fix is we have him selling at a world price and paying American prices for everything he uses.

The CHAIRMAN (Mr. WRIGHT). The Chair is prepared to rule.

The gentleman from Illinois offers an amendment, and the gentleman from Mississippi makes a point of order against the amendment on the ground that it proposes legislation on an appropriation bill.

Obviously, to amend or repeal the provisions of existing law would be, in itself, legislation.

The amendment offered by the gentleman from Illinois by its terms would amend the Agricultural Act of 1949 and would repeal section 103(d)(12) of that act. Therefore, the amendment would constitute legislation on an appropriation bill; and the point of order is sustained.

The Clerk will read.

The Clerk read as follows:

SEC. 510. Positions in the agencies covered by this Act, whether financed from funds contained in this Act or from other sources, may be filled during the fiscal year 1970 without regard to the provisions of section 201 of Public Law 90-364, and such positions shall not be taken into consideration in determining number of employees under subsection (a) of that section or numbers of vacancies under subsection (b) of that section.

AMENDMENT OFFERED BY MR. EDWARDS OF CALIFORNIA

Mr. EDWARDS of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. EDWARDS of California: On page 40, after line 4, insert:

"SEC. 511. None of the funds appropriated by this Act shall be used within any state or county for any program or activity subject to title VI of the Civil Rights Act of 1964 not in compliance with said title VI of the Civil Rights Act of 1964."

Thank you, Mr. Chairman.

I especially want to thank the chairmen of the full committee and of the subcommittee for their courtesy to me and to my associates in our discussions in the past week on this subject.

Mr. Chairman, I think there is something that Mr. Justice Brandeis said back in 1928 which applies to the amendment I am offering today. Mr. Justice Brandeis said:

Crime is contagious. If the Government becomes a lawbreaker, it breeds contempt for law; it invites every man to become a law unto himself; it invites anarchy.

Title VI of the Civil Rights Act which we passed in 1964 is very specific. It says that no Federal funds shall be used in any Federal agency or any Federal program where there is racial discrimination. This title VI directs every Federal agency not to discriminate and says that they cannot have Federal funds if they so do.

Mr. Chairman, I also think every Member here knows that the Department of Agriculture for many years has been a flagrant violator of title VI of the Civil Rights Act. In 1965 the Civil Rights Commission wrote a very complete book entitled "Equal Opportunity in Farm Programs." They have not been disputed generally in their statement that there was widespread discrimination in employment and generally in program administration. I regret to say that the situation has changed little recently. On May 19, just last week, I spoke at length here in the House and included the details in the CONGRESSIONAL RECORD. The violations cited by the Attorney General and the U.S. Commission on Civil Rights include, among others:

First, widespread discrimination in 4-H Club programs;

Second, failure of the Extension Service and Farmers Home Administration to benefit the black poor in 16 Alabama Counties;

Third, the Cooperative Extension Service's racial segregation in 12 Alabama counties with Negro extension workers

serving a potential caseload almost five times as great as white workers;

Fourth, the granting by the Farmers Home Administration of smaller loans to Negroes as compared to whites in the same economic status; and

Fifth, discrimination in the appointment of Negroes in the South by the Soil Conservation Service and the Agricultural Stabilization and Conservation Committee.

On March 19, 1969, the new Attorney General of the United States wrote a letter to the new Secretary of Agriculture, wherein he set forth in detail the discrimination that still exists and the violations of title VI of the 1964 Civil Rights Act that still exist, as reported in a new staff study by the Civil Rights Commission. I placed the entire letter of the Attorney General in the RECORD on that day. I mention one sentence of this letter in particular:

> Patterns of violations of title VI and the Department of Agriculture's implementing regulations persist, . . . and despite the evidence of these widespread violations of law . . . I am not aware of any meaningful action which has been taken to correct this situation.

This is the Attorney General writing to the Secretary of Agriculture.

On the same day, May 19, I wrote a letter to Secretary Hardin and asked what his plans were regarding the report of the Civil Rights Commission and this letter from the Attorney General.

I want to say, Mr. Chairman, that his reponse was quick, it was heartening. He gave assurance in the letter that the new Secretary of Agriculture is dedicated to the elimination of discrimination in his department.

The purpose of my amendment today which the members of the Committee have heard the Clerk read is to help him eliminate discrimination in Department of Agriculture programs.

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

(By unanimous consent, Mr. EDWARDS of California was allowed to proceed for 2 additional minutes.)

Mr. EDWARDS of California. Mr. Chairman, my amendment is similar to the amendment offered by our colleague (Mr. SCHERLE) last week where college funds are cut off if congressional mandates are not complied with. My amendment would cut off Federal funds where there is a violation of Federal law. Title VI is as clear as that.

Mr. Chairman, I am the first to admit that it is a restatement of the existing law because it is precisely what title VI of the Civil Rights Act provides. However, I insist it is an essential restatement and it will aid the Secretary of Agriculture in ending discrimination. It will be a tool which he can use to accomplish more easily the determination he outlined in his letter.

Mr. Chairman, I suggest to my colleagues that it is very important in these days of unrest and dissention that the Federal Government sets the example for the rest of the country and complies with its own laws duly passed.

Therefore, I urge bipartisan support of the amendment.

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

(By unanimous consent (at the request of Mr. ANDERSON of Illinois) Mr. EDWARDS of California was allowed to proceed for 3 additional minutes.)

Mr. ANDERSON of Illinois. Mr. Chairman, will the gentleman from California yield at this point?

Mr. EDWARDS of California. I yield to the gentleman.

Mr. ANDERSON of Illinois. I certainly sympathize with the objective that you are trying to obtain, that Federal funds, whether they be for these programs or for any other programs, not be applied in a discriminatory manner.

However, as the gentleman began to explain his amendment he stated that title VI is quite specific. It still is not clear to me after hearing the explanation given by the gentleman of his amendment as to why it is necessary, then, as the gentleman himself put it just a moment ago, that we have a restatement in effect of title VI.

The second question that I would address to the gentleman is this: Why is it not possible for legal action to be taken under title VI in the event that these programs are not being carried out in accordance with that title? Why do we have to restate the law?

Mr. EDWARDS of California. I believe it is important to restate the law here because my amendment precludes the use of these specific funds being appropriated in this bill for programs where there are violations of title VI.

It highlights to the Secretary of Agriculture and to the people running the agencies out in the countryside that Congress means business insofar as title VI is concerned.

Mr. ANDERSON of Illinois. If the gentleman will yield further, I am sure we mean business with regard to title VI, as I believe the gentleman in the well knows, but are we then going to be required from now on to draft a similar provision on every single appropriation bill indicating that we meant what we said back in 1964? If that is the case, I believe the better legislative procedure would be to go back and amend the Civil Rights Act of 1964 so that we do not have to repeat this belief with every single appropriation bill.

Does the gentleman agree with that?

Mr. EDWARDS of California. I do not particularly agree with my colleague, because the violations since 1964 in this particular area have been so flagrant. This is one part of the Civil Rights Act of 1964 that has not received the kind of compliance that we intended when we passed the bill. So I believe that there can be a situation once in a while where Congress reemphasizes what it meant in the original legislation.

In answer to the second question asked by the gentleman, I would say, Yes, actions can be filed, and the letter of the Secretary of Agriculture pointed out to me that he is employing and assigning additional agents, additional employees and attorneys to the enforcement areas of the Department of Agriculture. And I congratulate the Secretary in this effort.

Mr. ANDERSON of Illinois. Again, if the gentleman will yield further, let me state that I understand the objective sought by the gentleman, but to me there seems to be a further redundancy in the effort the gentleman is making, particularly in view of the assurances the gentleman says he now has from the Secretary of Agriculture, and from the Attorney General.

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

(By unanimous consent, Mr. EDWARDS of California was allowed to proceed for 1 additional minute.)

Mr. EDWARDS of California. Let me answer the gentleman by saying that the letter of the Attorney General to the Secretary of Agriculture set forth in great detail the violations in the enforcement machinery of the Department of Agriculture.

The letter of the Secretary of Agriculture—and I shall ask unanimous consent to insert the letter in the RECORD at this point.

The CHAIRMAN. The Chair will state that the gentleman will have to obtain that permission when the Committee goes back into the House.

Mr. EDWARDS of California. Mr. Chairman, I shall ask for that permission at that time.

The answer of the Secretary of Agriculture to me was not satisfactory, and it was not really responsive to the suggestions made by the Attorney General in that it merely did two things: instead of agreeing with any of the structural suggestions that the Attorney General had set up, it gave his commitment to the enforcement of title VI, reemphasized his commitment; and, second, promised to provide additional enforcing officers.

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

(On request of Mr. LANGEN, and by unanimous consent, Mr. EDWARDS of California was allowed to proceed for 2 additional minutes.)

Mr. EDWARDS of California. I thank the gentleman for yielding the additional time.

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

Mr. EDWARDS of California. I yield to the gentleman.

Mr. LANGEN. Having had the occasion to view the amendment quite carefully, what puzzles me is with regard to the extent to which there might be administrative difficulties with the amendment.

While I am in complete agreement with your objective, I am wondering what the gentleman's intent is. For instance, the amendment reads that no appropriations under this act shall be used within any State or county for any program or activity subject to title VI of the Civil Rights Act of 1964 not in compliance with title VI of the Civil Rights Act of 1964.

Now let us hypothetically suppose that it is determined—and I do not know by what means it is going to be determined—that there is a violation in the State extension office, for instance.

Would this then deprive the State of extension funds for the entire State and

deprive services to people in other areas of that State where possibly there are no violations, so that the public might be the big loser in service.

Mr. EDWARDS of California. The intent of my amendment is not to deprive the entire State or county of funds. It would deprive particular discriminating programs of funds, and I presume that it would be determined in the usual way by the Secretary of Agriculture.

Mr. LANGEN. Is that not what the gentleman's amendment says—that no appropriation—no funds appropriated by this act shall be used within any State? If there were a violation in the State office, it would apply to the whole State?

Mr. EDWARDS of California. No, the reason the words "or county" were included was so that the specific objection that the gentleman raises could not be inferred.

Mr. LANGEN. Then why have that provision—"or activities within a county," when there might be a violation in only one small segment thereof?

Mr. EDWARDS of California. I presume that the discretion that the Secretary of Agriculture would enjoy would be the same kind of discretion that the Secretary of Health, Education, and Welfare enjoys when he cuts off funds for any particular function in any of the States and counties of the United States.

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

Mr. O'HARA. Mr. Chairman, I ask unanimous consent that the gentleman may be permitted to proceed for 2 additional minutes.

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

There was no objection.

Mr. O'HARA. Mr. Chairman, will the gentleman yield for a question?

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

Mr. O'HARA. I want to make sure that I understood the gentleman from California. The gentleman by his amendment does not propose, as I understand it, that any agricultural programs not now covered by title VI of the Civil Rights Act of 1964 be covered or that any programs presently covered be removed from coverage; is that correct?

Mr. EDWARDS of California. The amendment changes in no way the jurisdiction for coverage of title VI.

Mr. O'HARA. I believe it is the gentleman's purpose, as expressed in response to the question of the gentleman from Illinois, that whether or not the amendment passes the appropriate programs of the Department of Agriculture will continue to be subject to title VI of the Civil Rights Act of 1964?

Mr. EDWARDS of California. That is the exact truth. Programs of the Department of Agriculture are still subject to the provisions of title VI of the civil rights bills. They will still be subject whether of not my amendment is approved.

Mr. O'HARA. I would agree completely with that. I think it is very important that your amendment pass to emphasize the Department's obligations but it should be made clear that a failure to agree to your amendment would in no way diminish the present coverage of title VI of the Civil Rights Act of 1964.

I thank the gentleman.

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

Mr. CONYERS. Mr. Chairman, I regret that I am unable to be on the floor of the House today to join my distinguished colleague, the gentleman from California (Mr. EDWARDS), in his amendment to the agriculture appropriations bill. I support my colleague in his assertion that no funds be appropriated for any Department of Agriculture program or activity that is unwilling to comply with title VI of the 1964 Civil Rights Act. Unless such an amendment is passed, I fear that we will continue to have major problems in the area of compliance with civil rights laws. Without a built-in measure requiring compliance through the withholding of funds wherever necessary, separate funds for civil rights enforcement will not be enough. We have passed the time when the disadvantaged and dispossessed can be appeased by good intentions; Congress must act now to fully enforce the civil rights laws which are already on the books. Again, I deeply regret that I cannot be here to support this amendment in person, but I hope that the mission of which I am a part will prove to be equally important to all Americans.

Mr. BARRETT. Mr. Chairman, I rise in support of the amendment offered by the gentleman from California (Mr. EDWARDS) which would prevent funds appropriated under this bill from being used for any Agriculture Department program or activity that is unwilling to comply with the present Federal law as set forth in title VI of the Civil Rights Act of 1964, which prohibits use of Federal funds in programs that discriminate on the basis of race, color, or creed.

This amendment is similar in form and purpose to that approved by the House during consideration of the appropriations bill funding higher education activities. The need for this amendment has been completely documented and was set forth in the CONGRESSIONAL RECORD on May 20, 1969, by the gentleman from California.

The inclusion of funds in this bill so the Agriculture Department can meet its responsibility under the Civil Rights Act of 1964, does not lessen the need for this amendment. On the contrary, it clearly indicates the awareness that there has been discrimination practiced in Agriculture Department programs and that correction is needed.

I urge the Members to support the amendment.

Mr. RYAN. Mr. Chairman, I move to strike out the last word, and rise in support of the amendment.

Mr. Chairman, 5 years after the enactment of the Civil Rights Act of 1964, this amendment should not be necessary.

But shocking as it may be, the Department of Agriculture has not enforced title VI of the Civil Rights Act of 1964. Therefore, the amendment presents an opportunity to serve notice on the Department that it must insure that its programs are available to all our citizens on an equal basis.

I hope the House will pass this amendment in that spirit.

Both the U.S. Commission on Civil Rights and the Attorney General have recently taken the Department of Agriculture to task for its failure to enforce equal opportunity in its programs.

A staff report issued by the Civil Rights Commission on hearings held last year in Montgomery, Ala., documented extensive discrimination in programs administered by the Department of Agriculture in a 16-county area. The report specifically cited six examples of programs which were being operated in a discriminatory manner:

First, Cooperative Extension Service personnel were assigned on a segregated basis, with white staff members servicing whites, and black staff members servicing only blacks;

Second, the assignment of five times as many cases to black Cooperative Extension Service staff members as to their white counterparts;

Third, widespread discrimination in 4–H Clubs in the 16-county area;

Fourth, the segregation of programs available to 4–H members, where the Commission found that blacks were predominantly being grouped in the most elementary and menial programs, while whites were receiving training in more mechanized farm skills;

Fifth, discrimination in the Farmers Home Administration, making a disproportionate amount of loan funds available to whites even though the black applicants were of approximately the same economic status; and

Sixth, discrimination by FHA in the types of loans approved, where the Civil Rights Commission found that 64 percent of the loans made to blacks were for subsistence or marginal development, whereas loans for rural housing and homeownership were available to whites.

In October of last year the Civil Rights Commission forwarded another report to the Department of Agriculture entitled "Mechanisms for Implementing and Enforcing Title VI of the Civil Rights Act of 1964." In this report the Commission made it clear to the Department that its title VI compliance program was seriously defective. It was understaffed, inadequately trained, and failed to collect meaningful racial data to be used in evaluating the effect of its programs on minorities.

Then this spring, on April 16, as the gentleman from California has pointed out, the Attorney General of the United States, in a very strong letter to the Secretary of Agriculture, pointed to persistent violations of title VI and numerous deficiencies in the enforcement of equal opportunity in the Department's programs. The Attorney General said it was imperative that the Department implement effective compliance with title VI, and he made a number of recommendations for improving the program, including the replacement of the present Office for Civil Rights in the Department of Agriculture with an expanded office for equal opportunity directly responsible to the Secretary, which would possess clear-

cut authority to affect agency performance. He also recommended that racial data be collected as a basis for judging performance.

The reports of the Civil Rights Commission and the letter from the Attorney General to the Secretary of Agriculture indicate the clear failure on the part of the Department to enforce title VI, which requires that funds not be expended for programs in which there is discrimination. The recommendations of both the Civil Rights Commission and the Attorney General, if implemented, would result in far more vigorous enforcement of title VI. Additional pressure is needed to insure that the Department accepts these recommendations and moves immediately to correct the deficiencies.

By approving the amendment, which states that none of the funds being appropriated under this bill shall be used within any State or county for any program or activity which is subject to title VI of such program or activity in that State or county is not in full compliance this House today can generate the pressure which is necessary on the Department of Agriculture.

Time and again in past years civil rights statutes enacted by the Congress have been thwarted by the failure of Federal agencies to enforce the law. Let us serve notice through this amendment that we expect those statutes to be enforced, and that we expect each and every administrative agency to take vigorous steps to insure that their programs are available on an equal opportunity basis. Let us make clear our own dissatisfaction with the failure of the Department of Agriculture to bring its programs into compliance with title VI. There is no justification for the continuing failure to enforce the law.

Mr. WHITTEN. Mr. Chairman, I rise in opposition to the amendment. I know the feelings of the gentleman from New York and the gentleman who preceded him. I have before me the Civil Rights Act of 1964. It is a very thorough document, as many of you realize, and goes far beyond what I consider fair play. But be that as it may, if it suffers from anything, it suffers from the fact that it is so far reaching, it does reach everything that has been described here. That general law applies to the whole United States.

The author of the amendment, the gentleman from California (Mr. EDWARDS), has said the Attorney General of the United States has stated that the Department of Agriculture must carry out the provisions in the Civil Rights Act of 1964 as amended.

The gentleman says further that the present Secretary of Agriculture has advised the gentleman, by letter, that the Secretary means to see that all employees of the Department carry out the Civil Rights Act of 1964, as amended, which would appear all the gentleman from California should want.

But let me point out, nonetheless, whatever our attitudes or feelings, the amendment that has been offered has been supported here by quoting from a 1965 report of the Civil Rights Commission. There are some I know who feel this was a strictly objective report, and there are others who, like me, feel this was an ex parte hearing and partisan hearing. But at any rate this was 4 or 5 years ago. In 1966 Congress provided a special section on civil rights, on the enforcement of the Civil Rights Act in the Department of Agriculture. So, since 1965, the Department has had this special section setup.

Not only that, but also the letters the gentleman mentioned were sent up in the last 2 or 3 weeks, in the case of the Secretary of Agriculture.

Granted that the Civil Rights Act is applicable, and provides for hearings, and provides for remedies and it provides who shall determine, the amendment offered by the gentleman—and this will be the latest expression in civil rights—does not show me who shall determine whether anyone is in violation. We have 3,600 or 3,700 counties in the United States. As was pointed out by my colleague on this committee, the gentleman from Minnesota, if we have one little corner in a county in violation, does that mean all the people in the State will be without these programs, or even the entire State?

Another thing, this provision has to do with all the funds in this bill. My friends, there are $80 million in here for meat inspection. Does that mean because somebody—I do not know who—says some little meat plant in one corner of a big State is in violation of the act, that we will not have a dollar in the State of New York, for instance, to carry out the meat inspection duties? What is going to happen to public health?

One of the big problems in this country has to do with protecting ourselves from the importation of diseases and injurious insects. We have provisions for inspection at ports of entry to prevent this. If somebody has not carried out fully the Civil Rights Act of 1964, then will we take away all those people, the inspectors from the ports, and then these diseases and insects can be brought in and spread throughout the United States?

The point I make, although the gentleman states, I believe he restates the law. If so he does so and in a rather dangerous way, so the money we have in this bill for protection of public health will be endangered, for instance.

I hope we may vote down this amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts (Mr. CONTE).

Mr. CONTE. Mr. Chairman, I certainly do not intend to take the 5 minutes.

I understand that while I was out of the Chamber there was a colloquy in regard to the cost of the so-called Conte amendment. There was a big pow-wow or meeting. As a result of that, it was said the cotton part of the program would cost $160 million more. Someone else who was in the same pow-wow, and who must have been smoking a different pipe, came out and said it would cost $200 million more.

I would like to tell the House this: This is exactly the same amendment that was passed by the House last July. It will save the taxpayers $300 million.

I just cannot understand the bleeding hearts in this House, bleeding for the millionaire farmers and the big corporate farmers who are waxing rich and fat and some of the Congressmen who are waxing rich and fat on this subsidy program.

If the new Secretary of Agriculture does not feel this amendment is perfect, if he feels it needs perfection and it needs amendment, let him go over to the Senate side and let him perfect this amendment. We take no pride of authorship. If he wants to straighten out the amendment and make it better and make it workable, I will be glad to work with him.

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

Mr. CONTE. I am glad to yield to the gentleman from Illinois.

Mr. PUCINSKI. Is it not correct that under the gentleman's amendment some $2.7 billion will continue to be distributed to small farmers in terms of farm subsidies? The amendment merely deals with the $300 million that goes to some 500 corporate farms. Is that what it is?

Mr. CONTE. That is exactly right—50 percent of the farmers receiving farm subsidies receive less than $500 a year. This amendment certainly will not hurt the small farmer. It will hurt the big farmer, the big corporate farmer. Those are the ones I am fighting here on the floor of the House.

The 1967 figures only show that five producers got over $1 million, for a total of $10.9 million; 15 producers got between $500,000 and $1 million, for a total of $9.5 million; 388 producers got between $100,000 and one-half million dollars, for a total of $64.9 million; 1,285 producers got $50,000 to $100,000 for a total of $84.6 million; and 4,843 producers got between $25,000 and $50,000, for a total of $161.7 million. The total received by all those receiving $25,000 in 1967—6,736 producers—was about $331.6 million.

I think it is high time we stopped it. I hope we will have a rollcall on this amendment. Let us put them on record and see who is interested in saving money for the taxpayers.

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

I am pleased to note the gentleman who just spoke in the well did not take any pride in his amendment of yesterday. Had I been him, I would not have taken any pride, either. An amendment which applies so poorly to the problem at hand certainly can give pride to no one.

On the amendment pending before the Committee, I want to register an objection to the amendment because of the difficulties in administering its provisions. Inasmuch as the civil rights law already has provisions whereby title IV can be carried out it is unnecessary. The Secretary of Agriculture has indicated his desire to enforce the law, as contained in the Civil Rights Act.

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

Mr. LANGEN. I am glad to yield to the gentleman from Massachusetts.

Mr. CONTE. The gentleman who has the mike certainly has a short memory, because last July, on the same identical amendment which I offered, the gentle-

man from Minnesota voted "yea" with me.

Mr. LANGEN. I agree with the gentleman. I did so just that.

Mr. CONTE. I thank the gentleman.

Mr. LANGEN. The amendment was presented then at the right time, the right place, and in the right order. None of them existed yesterday.

Mr. WHITTEN. Mr. Chairman, may we have a vote on the pending amendment?

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. EDWARDS).

The question was taken; and on a division (demanded by Mr. EDWARDS of California) there were—ayes 45, noes 82.

Mr. EDWARDS of California. Mr. Chairman, I demand tellers. Tellers were ordered, and the Chairman appointed as tellers Mr. EDWARDS of California and Mr. WHITTEN.

The Committee again divided, and the tellers reported that there were—ayes 66, noes 91.

So the amendment was rejected.

Mr. MAHON. Mr. Chairman, I move to strike the last word.

OPPOSITION TO LIMITATION ON FARM PAYMENTS

Mr. Chairman, it has been announced that a rollcall will be sought on the Conte-Findley amendment.

I would like very much to have your attention for just a few moments in regard to the problem. The matter has again been discussed by the gentleman from Massachusetts this afternoon and I would like to discuss it briefly.

I want to say that the passage of the limitation-on-payment amendment would be a victory for the Conte-Findley team. But I would insist that it would be a defeat for the Republican leadership and the Democratic leadership and for both parties, a defeat for the consumers, as well as a defeat for the farmers themselves.

Now, let me give you some of the history with reference to this matter.

Last year, Secretary Orville Freeman sent to Congress a proposal for a 4-year extension of the farm program—a 4-year extension.

This was a Democratic effort to extend the present program for a 4-year period. The other body approved a 4-year extension. The House Committee on Agriculture did not like the 4-year proposal.

Republicans in the House decided—many of them did—that if we had a 4-year extension, it would be to the disadvantage of the new administration—if a Republican President were elected. The new President might be denied the opportunity to have his own program presented early to the new Congress.

When the vote came in the House on the limitation on payments there were Members of the House on both sides of the aisle, particularly on the Republican side of the aisle, who voted for the limitation of payments, who were not necessarily in favor of the limitation on payments. As a matter of strategy they voted for the limitation on payments because they were concerned that the House conferees would go to conference with the other body, capitulate on the 1-year program and get a 4-year bill and bring it back and then they would be outvoted on final passage. So, they made sure that the bill would come back for another vote by tying onto it the limitation on payments. This is what the true legislative situation was last year when the payment limitation was voted upon. It is not inconsistent today for any Republican or any Democrat who voted for limitations last year to vote against the Conte-Findley limitation amendment. The situation confronting us now is entirely different. The best interest of the country requires a vote against the amendment for reasons which the debate on the issue has made clear.

Mr. Chairman, the new administration has not had adequate time within which to make its presentation to Congress as to what it wants.

In arguing for the 1-year extension only, last year it was argued, "Give the new administration, Republican or Democratic, a chance to come forth with its own program." So, we had the 1-year extension.

Now, the Secretary says that he is working on alternate proposals and he expects to present those alternate proposals to the Congress for consideration in due time.

Anyone who knows anything about this House knows that without the support of the administration we are not going to pass a general farm bill and, therefore, you can have all the hearings you want by the House Committee on Agriculture, but the hearings are going to be reasonably ineffective until the Secretary has the opportunity of presenting to Congress his alternative proposals from which Congress can make its selection with desired modifications.

I hope the Secretary's recommendation will include a preferred alternative. I do not know yet, and he does not know yet what the final recommendations will be.

To vote for this amendment, which would cost more money, would bring about chaos next year. It would be unfair to the Secretary and the farmers of the country and it is just generally unreasonable and unacceptable. Rather than bring confusion into the 1970 crop program, we ought to concentrate on the development of a long-range program to take effect after next year.

So it is certainly not inconsistent for supporters of the limitation on payments to vote against the limitation amendment. Those who have favored the amendment in the past should, under present circumstances, vote against it and refuse now to cripple the farmers next year and put the Secretary of Agriculture in an untenable position. The final approval of the amendment would make less likely the final approval of a satisfactory new farm bill at a later date by this Congress.

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

Mr. MAHON. I am happy to yield to the gentleman, and I believe that he will confirm somewhat the statements I have made about why the limitation amendment was approved by the House last year.

Mr. GERALD R. FORD. Mr. Chairman, I thank the gentleman for yielding.

On July 31, 1968, I voted with the majority of the Members of this body for the $20,000 limitation. I am going to change my vote, and this time on the rollcall I am going to vote against the limitation. I am convinced that the limitation as proposed in the bill at the present time, if approved, and if it becomes law, will cost the taxpayers $160 million more in fiscal year 1970. It does not make sense under those circumstances to vote for something that is going to cost the taxpayers more hard-earned tax dollars.

I would like to add this: The Secretary of Agriculture told us at a meeting with the President this morning that the Department of Agriculture will have a new farm program up to the Congress in early fall of 1969, and in that legislation they believe there can be worked into it some kind of a payment limitation that is responsible and constructive. I, therefore, am willing to give the new Secretary of Agriculture this fair opportunity. It would be far better to do it in a legislative way rather than on the appropriation bill today.

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

(By unanimous consent, Mr. MAHON was allowed to proceed for 1 additional minute.)

Mr. MAHON. Mr. Chairman, I cannot see anything illogical about the position of the gentleman from Michigan. It seems perfectly fair and proper that all of us wait until the new Secretary and the Congress have had a chance to work our will. The payment situation will be altered after next year, regardless of what we do. With all the dissent and confusion and frustration among the farmers of the country, to tie this further burden on their backs and jeopardize the consumers at the same time is indefensible.

Summing up, if the Conte-Findley limitation becomes the law we would have one farm program for the 1969 crop, another farm program for the 1970 crop, and still another farm program for the 1971 crop. This would be intolerable.

I hope that when the rollcall comes that, regardless of our views on the long-range farm program, we will give the new administration and the farmers a fair deal, as well as the consumers, in our vote.

The CHAIRMAN. The Clerk will read.

The Clerk concluded the reading of the bill.

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

Mr. Chairman, I was very much interested in the remarks of my good friend, the chairman of the Committee on Agriculture, but I remember last June and July that we spent about 2 days here going through this same procedure, and we won a great victory. The Members of this Congress voted by a majority of almost 70 to limit the subsidy payments to $20,000 a year to every farm operation.

My good chairman mentioned that Secretary Freeman recommended 4 years of this bonanza, this $3.5 billion bonanza. Well, where is Secretary Freeman now? Evidently the voters last November did not think much of this $3.5 bil-

lion subsidy continuing for another 4 years.

But very briefly I want to say this: I do not know if history repeats itself, but maybe we wasted time and energy here yesterday and today. Last year we voted by a majority of 70 for a $20,000 limit annual rural payment, and if the other body supported this limitation we would have saved, I believe, about $2.5 billion annually for the taxpayers of this country.

But you all know what happened. We went through 2 days of work and oratory and voting for naught—because it went over to the Senate and something happened. In order to prevent that from happening again, I have written a letter today to my good friend, the Senate majority leader, Senator MIKE MANSFIELD, and I will read this letter for the information of my colleagues:

MAY 27, 1969.

Senator MIKE MANSFIELD,
Senate Majority Leader,
U.S. Senate,
Washington, D.C.

DEAR MR. MAJORITY LEADER: In the last session of Congress the House of Representatives considered the agricultural farm subsidy bill which involved approximately $3½ billion dollars annual appropriation. After extended debate, the House, in a recorded vote of 230 to 160, placed a ceiling upon any agriculture subsidy payments to any one farm operation in the sum of $20,000. The House also reduced the Agriculture Committee's request of a four-year extension of this subsidy to a one-year extension.

The legislation was then considered by the Senate and the $20,000 limitation was rejected and a four-year extension of the subsidy was adopted. The Senate bill was returned and the House accepted the Senate abolishment of the $20,000 limitation but reduced the four-year extension to one year.

On yesterday, after extended debate, the House again, by teller vote, restricted this rural subsidy to a $20,000 limitation to any one farm operation. This legislation will no doubt be considered by your legislative body in a short time.

According to the news media certain Members of the Senate supported and voted for this legislation who either individually or through their families have been recipients of Government payments on this rural subsidy. The purpose of my letter is I hope that you as Majority Leader will request the Members of the other body who have direct or indirect financial benefit from this subsidy to refrain from supporting or voting on this legislation either in Committee or on the Floor of the Senate. I have not heard of any Members of the House voting pro or con on this legislation who personally, or their families, have had a direct or indirect interest in this subsidy.

I do think that the highest ethics should maintain in both of our National legislative bodies. Some Senators, according to the news media are insisting on the highest of ethics and the elimination of conflict of interest by our United States Supreme Court Members and same should apply to all departments of our Federal Government.

With kindest personal regards, I am
Sincerely yours,

RAY J. MADDEN,
Member of Congress.

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

Mr. MADDEN. I yield to the gentleman.

Mr. CONTE. I want to make a similar observation. The amendment I offered on the last agriculture bill in 1968 passed the House by a vote of 230 to 160. It went over to the other body and the amendment was knocked out. Then it went to conference and by an unusual procedure, the same people who are bucking us today allowed the other body to take the papers. That is a very unusual procedure. Usually the papers came back to the House. But they allowed the other body to take the papers.

They voted against it. So we did not have an opportunity to vote again on the amendment that was adopted by the House—it was either voting the bill up or down.

Mr. DENNEY. Mr. Chairman, I oppose the Findley-Conte amendment. I do not oppose a ceiling on farm payments. I simply feel that this proposal, as brought out on the floor today, requires more time to study and that it should be coordinated with the Department of Agriculture. Furthermore, I am not convinced that the Findley amendment is economically feasible. Although the gentleman from Illinois (Mr. FINDLEY) has introduced figures into the RECORD showing that the limitation of subsidies at $20,000 would save the Federal Government about $518 million, if the 1965 Agriculture Act is not extended and a new act is not enacted by this Congress, there will be a snapback to a section of a previous act. This section provides that the Secretary shall establish the support price for cotton between 65 percent and 90 percent of parity. It is quite possible that savings under the Findley amendment would be offset in a couple of years by a growing deficit of the Commodity Credit Corporation. About 80 percent of the farmers effected would be cotton growers.

The snapback provisions would require support prices for cotton supplement between 65 percent and 90 percent of parity, thereby taking money from the Agriculture Department budget that could help the small farmer. Therefore, it is my position that a vote in favor of this amendment at this time would be a vote that could seriously harm the small farmers in the Midwest.

Advocates of the amendment have indicated that it would save up to $300 million. This estimate was made by former Under Secretary of Agriculture John Schnittker. The Schnittker statement assumes that the limitations would be completely effective and that there would be no evasion. The Schnittker statement ignores the fact that there is, on the books, a snapback arrangement for cotton that would completely negate the intent of the amendment.

The Department of Agriculture now estimates, because of dividing farms, that limitations on payment might result in savings as small as $25 million. The Department also estimates that the buy-and-sell-back arrangement into which they would be thrown if we pass this amendment would add $160 million in program costs. Much of the added cost would come from greater benefits to large cottongrowers, rather than less. The amendment is not merely ineffective so far as payment limitations are concerned, it triggers a program that would greatly increase costs.

So, instead of saving $300 million, this amendment would cost $160 million. This would make a total error in the neighborhood of half a billion dollars. I give this very potent argument against legislating on an appropriations bill—that we might, here on the floor, make an error totaling half a billion dollars without having had the advantage of any analysis, and without having had a single committee hearing.

Mr. GOODLING. Mr. Chairman, I rise to object to the amendment establishing a $20,000 limitation on the aggregate direct payments any single farmer can get under cotton, feed grains, wheat, and wool.

This amendment would have a profound effect on the supply-management aspects of our agricultural program; hence, I—as a member of the House Committee on Agriculture—feel that the impact of such an amendment should be thoroughly evaluated and measured before it is accepted. Such an appraisal cannot properly be made here and at this time but should be effected through the regular committee process.

Another bad feature of this amendment is that it will have the effect of glutting our agricultural markets by evicting large producers from the farm program. These large operators will not go out of farming but will, instead, change their direction and broaden the base of their farm operations, increasing their production to reduce unit cost of production. The result will be depressed farm prices that will have a devastating effect on the small farmer who, by his nature, has neither the capital nor the equipment to engage in large-scale production and to compete with the large operator.

If this amendment becomes effective, many cotton farmers will leave the present program, and ultimately the Secretary of Agriculture could be required to establish a cotton loan support price somewhere between 65 percent and 90 percent of parity. Under this arrangement the cotton price could snap back from the present 21 cents per pound to 31½ cents per pound—this higher payment would be made on 100 percent of the producer's cotton production, whereas the present payments are on only 65 percent of his allotment.

In addition to those deficits, the costs of administering the farm program resulting from this amendment would be excessive, inviting a loss rather than a saving.

Mr. Chairman, this amendment is not sound.

Mrs. HANSEN of Washington. Mr. Chairman, there has been a great deal of discussion on the limitation of "subsidy" payments. Today I received a self-explanatory telegram from Bert L. Cole, commissioner of public lands for the State of Washington, which says:

We oppose any legislation which would limit the wheat certificates that the State of Washington, as a single producer, could receive for its State-owned school and institutional land.

Any restrictions or limit on the amount of certificate payment that the State of Washington can receive from lands granted the State for the support of our educational

system will impose an unrealistic and inequitable ceiling. The State of Washington, as a lessor, has 478 individual leases on which cereal grains are produced. The land in each of these leases represents a part of each lessee's operating farm unit.

In fiscal year 1968 the State of Washington, on its cereal grain leases of trust lands, received $208,389.12 from certificate payments which will help finance our public schools. Payments for State-owned land to the State average $435 per lease and $1,305 per lease to the lessee with a maximum payment of less than $5,000 to any one lessee for State-owned land. The beneficiaries of income from our State school land—our school children—total over 70,000.

If a $20,000 limit is placed in each producer, the State would have to consider removing its 130,000 acres of cereal grain producing land from cooperation with the Federal program. Any change or restriction to limit the certificate payments will not only be detrimental to our school financing, but could be damaging to over 478 lessees.

An alternative that would relieve the specific problem threatened on State-owned granted land here in Washington would be for the law to stipulate that a "State" will be considered a "producer" on each individual lease rather than a single "producer" for all State-leased land combined.

BERT L. COLE,
Commissioner of Public Lands.

As a consequence and until the statutory provisions have been changed to exempt State-owned lands I cannot vote to curtail the schools of my State by $208,389.12, particularly in view of the long legislative struggle in my State to find adequate revenues for financing education.

This is one of the difficulties of trying to amend authorization statutes and to legislate on an appropriation bill.

Mr. REID of New York. Mr. Chairman, although I am voting for passage of H.R. 11612, I want to make it clear that my support of the measure stems from support of the $1.5 billion which the bill provides for food programs for the coming year. As my colleagues know, I do not support the farm subsidy program and have voted against agricultural appropriations in the past for that reason. However, it is imperative that we provide adequate funds to support food distribution programs to feed the hungry people of this Nation, and passage of this bill is vital if we are to achieve that goal.

Mr. EILBERG. Mr. Chairman, I rise today to express my alarm at the proposal of the Nixon administration, included in the bill now under consideration, which would eliminate the special milk program as we have known it since 1954. As you all know, the bill calls for no appropriations as such for this program and includes a pittance for a milk program designed to increase the consumption of milk by needy youngsters.

On May 6 of this year, as you all no doubt recall, we acted on a bill which provided an appropriations authorization for this program in the amount of 125 million for the 1970 fiscal year. The record vote on this bill was overwhelming 382 to 2. When this legislation was considered, two amendments were defeated which had as their intent that this program should be redirected to provide milk only for those needy schoolchildren in the Nation and ignore the middle-income children who are participating in this program now and who have been since 1954. I believe the record of congressional intent on this matter is quite clear; we want the special milk program continued as it has been operating.

The special milk program was designed to increase the consumption of fluid whole milk by the children of America. To achieve this end, the appropriations for the program which we have provided each year have been used by the Department to give the States and, through them each school participating in the program, a reimbursement rate of from 3 to 4 cents per half-pint of milk served. Figures which I have received from the department indicate that about 3 billion half-pints a year are consumed under the program. This means that about 24 to 26 million children are now receiving the benefits of the program. In Philadelphia, about 48,000 half-pints a day are served under the program at prices to the students which, because of the program, are from 3 to 4 cents below what the children would pay without the program. Needy youngsters receive their milk free.

When we passed the legislation earlier this month which authorized $125 million for this program for an indefinite period of years, we were cognizant of the Nixon administration's desire to redirect the program so that its benefits would no longer be available to the children of middle-income taxpayers across the country. I was a cosponsor of that legislation and I urge all my colleagues to act today to provide the appropriations for the program which we authorized. The milk program provides one of the few instances in which the middle income taxpayer, who is really having a tough time making ends meet, gets some assistance from his Government. Without these appropriations, children from these families will have to pay at least 3 or 4 cents more for their milk. Thus, many will no longer be able to afford a daily milk break.

In Philadelphia, participation in the milk program is offered to children in almost all public and nonprofit schools in the city. This is not the case for the school lunch, school breakfast, and other child feeding programs. Where there is a lunch program in city schools, the participation rate among children is woeful. In fact I think it is disgraceful. Do you realize that the city of Philadelphia has less than 20,000 children eating lunch under this program each school day? The Department of Agriculture tells me that in schools which have the lunch program, the participation rate is around 50 percent of the enrolled children. All I can say is that, if this figure is correct, the city of Philadelphia must have been left out of the survey which arrived at the figure. Information which the Department provided me indicates that overall, the participation rate in the program for public and nonprofit private schools in the city is only about 8 percent—that is right, 8 percent.

The Department also tells me that they have a program called Operation Metropolitan which is designed to increase the number of schools which have the lunch program in large cities. They tell me also that this Operation Metropolitan is designed to increase the participation rate in big-city schools. Well, offhand I can tell you that, either Philadelphia has not heard about the program, or the Department has not heard about the problems that the city is having with the lunch program. There seems to be an extreme lack of initiative and cooperation on the part of the Department in helping the city program get on its feet.

I yield to no one in my support for programs which are designed to aid the needy of this Nation. My record of concern for the needy is deep-rooted. However, I do not think that we ought to take the availability of low-priced milk away from the child whose parents earn from $6,000 to $7,000 a year. These parents are already having a tough enough time providing for their family without us taking milk away from their children by redirecting the milk program so that they are priced out because the Government no longer is interested in increasing the nutritional well-being of all schoolchildren through the program but now is saying in essence, we don't care about the middle income taxpayer of this Nation who is supporting his Government by paying exhorbitant taxes while many of the wealthy get off tax free through loopholes in the tax structure. I believe, and I am sure you will all agree, that the middle income taxpayers of America are in revolt. Certainly my constituents are up in arms about the amount of taxes they have to pay and the lack of return they are getting on their money. The special milk program in the past has provided these taxpayers with some tangible assurance that the Government does care about them. It has told them that the Government cares not only about the nutritional well-being of the poor child but also about their children.

I remind the Members that in 1966, there was an attempt to redirect the special milk program similar to but not on as large a scale as that attempted by the bill which we are now considering. At that time the Congress acted and told the administration that we wanted the program continued as it was. I urge all my colleagues to repeat this order today by restoring the funds for this program in the amount which they so overwhelmingly supported earlier this month when we authorized expenditures for the program of $125 million for the 1970 fiscal year.

Mr. WILLIAM D. FORD. Mr. Chairman, in the 90th Congress the House, by a record vote of 230 to 160, accepted a limitation of $20,000 per year on the aggregate direct payments any single farmer could receive under ASCA programs for cotton, field grains, wheat, and wool. That provision was dropped in conference.

With consideration of the agriculture appropriation bill in this Congress we are once again presented with an opportunity to put some controls on the unmanageable giveaway aspect of Federal farm programs. A glance at recent figures shows that we are subsidizing millionaire farmers with Government funds. In 1968 one company received a total pay-

ment of $3,010,042. Other companies received payments of $2,772,187; $1,177,320; $786,459, and $745,647. Dozens of others received subsidies in hundreds of thousands of dollars. Payments of over $15,000 went to 16,430 persons and totaled $518,506,663.

This farm program as now carried out bears no relationship to earlier programs which were designed to meet the pressing problems of the family farmer. Furthermore, to be extending a program that pays out well over $3 billion in farm subsidies and benefits large corporate land holders at this time can be construed as a serious breach of faith with the American taxpayer. These taxpayers have recently been told that the surtax must be extended and that a much needed increase in social security benefits should be delayed.

We should apply the same scrutiny to our farm programs that we are applying to our tax structure. The payment of over a million dollars to one farmowner is just as unreasonable as allowing 22 Americans who had incomes of over $1 million to pay no tax at all in 1967.

The Schnittker study inserted in the CONGRESSIONAL RECORD at pages 10867 to 10872 by the gentleman from Illinois (Mr. FINDLEY) undercuts much of the argument in favor of these large payments. Mr. John A. Schnittker, then Under Secretary of Agriculture, concludes in this survey:

> Payments to producers under existing price support and acreage control programs for feed grains, wheat, cotton, wool, and sugar could be limited to around $20,000 per farm for all payments, or to $10,000 per program without serious adverse effects on production or on the effectiveness of production adjustment programs.
>
> Budget savings ranging from $200 to nearly $300 million could be made with limits at levels examined here if the law could be administered firmly.
>
> None of the administrative problems are decisive . . . and they are not good reasons for opposing payments limits.

Mr. FINDLEY has also brought our attention to a recent Louisiana State study of soybeans-cotton competition which shows cotton to be more profitable than soybeans, even without payments. This means that we are spending billions of taxpayers' dollars to encourage farmers to cooperate with a sound farm policy when they probably would do so in any case.

This type of boondoggle is absurd and I do not think that the American taxpayer is going to stand still for it. It is an insult to the average taxpayer's intelligence to ask him to pull in the belt of fiscal restraint, to extend the surtax, to cut desparately needed manpower training programs, to live on social security payments that dwindle in purchasing power every time the newest cost of living and consumer price indexes come out and then to turn around and allow this kind of subsidy to huge corporate farms to exist.

I oppose passage of this appropriation for the present farm subsidy program without some control on the dollar limit of payments. I do not do so unmindful of the pressing needs of our American family farmer.

Many of us recognize that the problems of the great population centers are worsened each day by the tremendous migration of people from the farms to the cities. I believe we must use the resources of the Federal Government to strengthen and protect the legitimate economic interests of the Americans who live and work in agriculture. However, I do not believe the present programs are doing this. The present programs are, as a matter of fact, driving the families from the farms and replacing them with absentee corporate landholders who provide neither employment nor farm products in return for the expenditure of billions of dollars in Federal funds.

Mr. BINGHAM. Mr. Chairman, there is no doubt in my mind that hundreds of thousands of tax dollars are wastefully spent each year under the farm subsidy program. I do not feel that large landholders should reap excessive benefits from this program, which is designed primarily to limit the supply of various farm commodities so as to maintain desired price levels and stability. The evidence presented over the past 2 years by the gentleman from Illinois (Mr. FINDLEY) and other Members indicates that some individuals and institutions are obtaining excessive payoffs, and that situation should be corrected.

To limit subsidy payments to a flat $20,000, however, as the amendment offered by the gentleman from Massachusetts (Mr. CONTE) proposes, would practically eliminate incentives for large landholders to limit production, leaving them with little alternative but to produce as much as they can. The result would almost certainly be an oversupply in many agricultural markets, destroying the very purpose and effectiveness of the subsidy program.

With this in mind, I voted "no" last year on an amendment to the Food and Agriculture Act to limit subsidy payments to $20,000 offered by the gentleman from Illinois (Mr. FINDLEY).

What needs to be done instead is to cut back the subsidy payments received by large landholders as much as possible short of significantly reducing their willingness to limit production and participate in the program. A carefully graduated schedule of reduced payments to landholders eligible for over $20,000 in subsidies under the current program, it seems to me, would end excessive profiteering by large landholders, but at the same time retain their participation in the subsidy program and thereby insure its continued effectiveness. Such a proposal was offered yesterday by the gentleman from Minnesota (Mr. NELSEN). Were the Members of the House asked to record their votes on a proposal for graduated reductions of subsidy payments above $20,000 such as the Nelsen proposal, I would most assuredly vote for it.

I have serious doubts about the entire farm subsidy program. Whether the program should be continued even for another year should be voted up or down in total on the merits, rather than destroying the effectiveness of the program by a seemingly attractive amendment that does not really confront the basic issue. I am prepared to support continuation of the program for an additional year. I cannot, however, support its continuation in a hobbled form, and I will therefore vote "no" on the Conte amendment.

Mr. JONES of Alabama. Mr. Chairman, I want to express my very strong opposition to any artificial limit on farm payments. The proposal to limit farm program payments is based on total misconceptions of the program and has its support in an appeal to emotionalism unrelated to facts or logic.

Farm program payments are not relief, not welfare, not something for nothing. In each case the farmer who receives the payments agrees to participate in a program of national interest. In the program he agrees to limit his production and divert some of his land resources into soil-conserving crops.

The farmer earns the payment he receives by the value of what he puts into the program. The farmer who diverts 100 acres of his land is certainly entitled to a greater payment than the farmer who diverts 10 acres.

The sizable diversions of the large producers are what makes the program work, what keeps the production within a manageable quantity.

Farms of today are becoming larger, more efficient units of production. At the same time, the farmers' investment continues to grow. The average capital investment per farmworker is about $41,300. This is nearly twice the average investment of $21,900 per industrial worker in our country.

Farmers, whether large or small, have great investments of capital resources in their farms. The emotional opposition to the farm program payments shows a misunderstanding of the nature of farming today and a fundamental misconception of the purpose of farm program payments. The basic objective of the program is to bring supply generally toward a balance with demand. This is, of course, an ideal, and in practice any errors are plotted on the side of overproduction rather than underproduction.

Rather than have the Government buy large excesses of farm goods after the expenses of production have been added to the production, the policy calls for reduced payment before production and retirement or diversion of land which would have been devoted to unneeded production.

This program strengthens farm prices, limits the cost of the objective to the government and prevents waste of resources in surplus production.

It is the small producer who benefits from the program to a far greater degree than the large producer. If the payments are limited, the large producer will withdraw from the diversion programs and scale his production to the most economically beneficial level.

The result will be overproductions and market instabilities which most large producers can handle but which will mean financial disaster to small producers and to the general economy.

Another misconception of the program is that the payments represent a profit to the person receiving it. To the contrary, the payments are far less than would

be received if the farmer had engaged in production. If the payments represented a profit, large producers would seek to retire a maximum amount of acreage. Instead, most farmers retire only the acreage required for participation in the program.

Through the skills of farmers and the improved techniques devised in cooperation with Government and other segments of the economy, production of farm goods seems bountiful at this time. We must not be complacent about this production to the extent that the effort of farmers is rewarded at less than deserving rates.

In consideration of the talents, effort, and capital investment, it is my opinion that neither small producers, medium producers, nor large producers receive large enough returns. A limitation on farm program payments will force large farmers out of the farm program. The results will be immediate and disastrous for our farm policies and for our agricultural economy.

I strongly oppose any limitation on farm program payments.

Mr. ECKHARDT. Mr. Chairman, I do not believe I have any farmers in my district affected in one way or another by the amendment limiting farm payments to $20,000. I know I have no farmers whose payments exceed $25,000. So I can approach this problem with objectivity.

In discussing the amendment limiting payments to $20,000, the historical goals and the accomplishments of our farm program are relevant.

Of course, price support has been designed to stabilize prices and restrict production, objectives that are closely intertwined. Because we have an economy in which we do not direct businessmen or farmers to follow one occupation or another, to produce this crop or that crop, we have had to devise monetary incentives to prevent overproduction in agriculture.

That our general program has worked is illustrated by the fact that the United States produces vastly more agricultural products, and does it more efficiently, than the Soviet Union, which nation can plan and administer its agricultural program directly.

We treat farmers differently from industrialists because of the unique nature of agriculture. After the farmer harvests his crops, he is at the mercy of the market. His product must be sold immediately; he seldom has collective bargaining strength when he faces the buyer; and he must often accept what is offered. He is typically the smallest operator in the whole chain of food production and marketing, and he is usually dealing with much larger and more powerful elements in this chain.

If there is an overproduction of a commodity the farmer in the free market has no choice but to take a reduced price for his work. Since the farmer can never predict precisely what his acreage will yield, it is not uncommon for such surpluses to exist.

The price support program was enacted to somewhat equalize his bargaining situation with the buyer—to prevent a glut. The money we pay for price supports tends to make production more efficient, and this is to the advantage of the consumer.

Nevertheless, there are abuses. The price support program should be overhauled. The equitable thing is to scale down large support payments, as was attempted in the Nelsen amendment. The reason for this is that there are about 10,000 very large farmers who received $20,000 or more in price supports. Because they are big, they are better able to ride out a bad year, and they are not so much at the mercy of the market as are the small farmers.

But they should not be forced to operate in the free market rather to participate in acreage controls. If there are no incentives for them to participate, knowing that the price of the product is precarious, the large farmers would produce in great quantity. Consequently, the price would drop. Of course, those participating in the program would be protected for a time, but in time the farm program would disintegrate. I want reform in the agricultural program, but I do not want chaos, and we should tread carefully to avoid jeopardizing a program which has, after all, got the job done more efficiently than in any other large country. True, the agricultural economy has changed, but it has not changed enough so that drastic, insensitive changes are justified. It is also true that the Committee on Agriculture should release a bill that would permit extensive reforms. They could include something in the nature of the Nelsen amendment. But such reforms cannot be accomplished here on an appropriations bill.

The Conte-Findley amendment illustrates this fact. Actually, it would not reduce the aggregate of agricultural payments at all. Indeed, it would increase it.

This is because a limitation with respect to price support automatically puts into effect a snapback provision with respect to the legislation affecting cotton. If this snapback provision were put into effect, such would increase expenditures for the upland cotton program from $1,116,000,000 to $1,283,000,000 for the 1970 crop, according to the Department of Agriculture's estimate. This is a net increase and takes into account any reductions in expenditures which would result from the proposed $20,000 payment limitation. Thus, the Conte-Findley amendment would actually cost the taxpayers more money than would be the situation if it were not passed.

The snapback provision is contained in section 103(d)(12) of the Agricultural Act of 1949, as amended. Briefly and generally stated, this provision says that if a payment limitation is enacted which prevents cotton producers from receiving the full amount of price support to which they would otherwise be entitled, price support for cotton reverts to loans or purchases so that the payment limitation is not applicable. The section reads, in part:

> Such price support may be carried out through the simultaneous purchase of cotton at the support price therefor and resale at a lower price or through loans under which the cotton would be redeemable by payment of a price therefor lower than the amount of the loan thereon.

The section further provides:

> Such resale or redemption price shall be such as the Secretary determines will provide orderly marketing of cotton during the harvest season and will retain an adequate share of the world market for cotton produced in the United States.

If marketing quotas have not been disapproved, the supports are "through loans or purchases at a level not less than 65 per centum nor more than 90 per centum of the parity price of the cotton as the Secretary determines appropriate."

The Department of Agriculture recognized this problem, and in a statement made available to the House yesterday Secretary Hardin pointed out:

> With only the simple amendment that is possible in connection with appropriation bills, the so-called "snap-back" provision for cotton would come into effect. The cotton program would then become subject to a loan-and-redemption or a buy-and-sell-back arrangement that would increase costs while the large producers would escape the intent of the payment limitation.

These are the reasons why I am opposed to the Conte-Findley amendment. Perhaps its passage would indicate such a determination on the part of the House to reexamine the entire farm program that it would have a salutary result. But I cannot bring myself to vote for an amendment which would, itself, have no salutary result and which might seriously jeopardize the entire price support program. A reexamination of the entire farm program should be done in an atmosphere that allows us to retain the fundamental goals of our agricultural policy.

Mr. PICKLE. Mr. Chairman, I wish to supplement my remarks of yesterday in regard to the amendment which provides a pay limitation for farmers who cooperate on farm programs. The main issue is described as limitations on farm payments but this is not the real issue. The real issue is, Should we have farm programs?

If payment limitations are prescribed then farm programs will be destroyed because a limit on Government payments would strike at the very heart of the farm program.

Many people have some notion that a limitation on payments in these programs would somehow eliminate hunger and poverty in the ghetto.

I believe that knowledgeable people generally agree that farm programs are necessary in the public interest. There seems to be general recognition by both Democratic and Republican administrations that farm programs are necessary because farmers have the ability to outproduce the market and if they are not able somehow to adjust their production, they and the whole economy are in serious trouble. Obviously the 3 million farmers acting individually cannot do much about the total supply. If the farmer takes the lead in cutting his own production and overall production stays high, he ends up taking a low price for a small crop. Farm payments allow individual farmers to work with his neighbors and his government in adjusting production to expected demands and in assuring an adequate supply of food and fiber.

We know that farm income is not on

a par with nonfarm income and that more and more farmers are leaving the farm each year. If a limit is put on farm payments, how then can we improve farm income? If we drive more farmers off the farm by reducing their now inadequate income, are we not in effect cutting off our noses to spite our faces? If the backbone of agriculture is broken, the net result would be more people in ghettos, more poverty, more crowding of the city slums. The net result could be, in the long run, we who have never known what it is to have an inadequate supply of food could find ourselves short of food. If this should result, consumers would pay exorbitant prices for such food.

I object to the proposal for limiting farm payments for many reasons.

First. Limitations on payments would be virtually impossible to administer. The people who direct the programs in Washington hold to this view. Think for a minute how you would administer a payment limitation where there is a joint or multiple operation of a farm. How would various leasing and rental be treated under payment limitation? What about the farm that suddenly becomes two or more under ownership of two or more family members? These kinds of questions and many others would arise.

Second. A limitation of farm payments of the type recommended is not only unworkable, it is basically unfair. It is discriminatory and class legislation of the first degree. Constitutional issues may be involved. Contrary to what some may say, payment limitations would cause a switch away from commodities on which payments were being made to other commodities such as soybeans and other crops as well as production of beef and hogs. This could be very destructive of the agricultural economy.

Third. The limitation would not save money. The programs would become more expensive to operate. With the limitation in effect, many farmers would no longer participate in voluntary programs and would increase their production. They might not be eligible for price support and their production would flood the market. There would be a build-up of Government stocks of agricultural commodities resulting in great program expenditures. Furthermore, the provisions of the 1965 Food and Agriculture Act, under section 402, provide that in the case of cotton, that if a limitation is imposed that the Secretary of Agriculture must support the price of cotton at not less than 65 percent nor more than 90 percent of the parity price. This provision further provides that the Secretary may purchase the cotton at the guaranteed price support level and resell the cotton to the producers at a lower price, presumably the world market price. Adoption of a limitation on payments would put this provision into operation and instead of saving money would increase the cost of the program by an estimated amount of $160 million.

Fourth. Small farms would be seriously hurt by a payment limitation because of the downward pressure on prices. They would become more dependent on the loan program to maintain the support price, and if only the little farmers got into the program they could give up all of their production and still not solve the surplus problem.

In the interest of the farmer and the general public, the proposed limitation amendment should be defeated.

Mr. COHELAN. Mr. Chairman, I have carefully weighed the arguments made during the consideration of this bill.

I have been impressed by the committee's concern for the alleviation of hunger. I have been impressed too with its concern for conservation of soil and water and in the control of pesticides.

But I have been disturbed too by the enormous sums which this bill provides for farm price support. In my judgment, the size of these sums is out of all proportion with their social utility, and indicates the failure of our present farm programs.

There are a good many "sacred cows" in this Agriculture budget. I for one will again withhold support of this bill until these sacrosanct accounts are more thoroughly examined and justified to the public.

This bill provides the staggering sum of $4,965,934,000 for capital replenishment of the Commodity Credit Corporation. This sum represents money which has been lost by the Corporation because it has supported commodity prices above the open market price.

This enormous sum, nearly $5 billion, is three times what we will appropriate for the operations of the Office of Economic Opportunity.

It is five times what we will spend for model cities and urban renewal.

It is five times what we will spend for manpower training.

It is several times what we will provide in Federal support for public education.

The question, among other obvious things, is whether in view of the demands for funds for education, job training, housing, and antipoverty efforts, we should be spending this enormous sum on farm price supports. I think not.

This bill also makes available $1,261,000,000 under the food-for-peace program. This is approximately equal to the entire foreign aid appropriation for this fiscal year. As a member of the Appropriations Foreign Operations Subcommittee, I know the value and need for foreign assistance. But I question whether the United States might not be better able to aid in the development of foreign countries if we were to increase our technical assistance and outright cash grants, rather than by spending more than a billion dollars a year to help support farm prices and incidentally, to distribute some food overseas. I for one think we might increase the benefits of our foreign assistance if we made a larger allocation of foreign aid and a smaller allocation of foreign food shipments. In any event, the question quite clearly deserves further critical examination.

In sum, the nearly $5 billion in CCC capital replenishment and the $1 billion for Public Law 480, combine to make the Agriculture budget the largest disguised income transfer program operated by the Government. There must be a less expensive and more efficient way to both help transfer income to needy farmers and to maintain a stable agricultural production base.

We need a new farm policy. We need to move closer to the market. I urge a no vote on this bill.

Mr. HALL. Mr. Chairman, on two previous occasions, in the 89th and 90th Congresses, I have introduced new-type and well-researched comprehensive farm legislation aimed at soil and water restoration, and the incentive to accomplish both. At a later date I plan to reintroduced my farm bill, which I am now in the process of perfecting and updating.

I mention this today, because the debate on the farm appropriation the past 2 days has indicated that many of the Members realize that farm legislation needs a new direction and new ideas. Let me state briefly what my bill will contain:

First. It will remove the huge subsidies paid to the large farms. It is the small family farmer on marginal land who is in trouble today, and being "forced to the wall," from the farms, and to the cities ghettos. My bill would have the feature of preserving the family farm by making the subsidies more beneficial to those with the greatest need. The subsidies would be directed to restoring soil and water, not idling acres.

Second. Farmers should be offered a second market, that is they should have the right to put a percentage of their cropland to the production of a suitable cover crop—plowed under to enrich and restore the soil while preventing waste of water—with the Government paying a fair price per dry weight ton, or sell to the consumer market, the food and fiber or seeds he would grow.

Third. The farmer would be able to set aside a designated number of acres to receive continued attention, instead of being shunted to the side, without the capacity to produce in case of an emergency. The Nation would in this way be assured a permanent and ready potential.

Fourth. The emphasis of my farm legislation would be to reward the farmer for the scientific use and development of his own resources, in place of a payment for so many bushels produced. This would surely avoid the "bugaboo" of surpluses. The farmer would once again be invited to share in the "free enterprise" system, which has been proved to be the best way, and without doubt, the most exciting way.

Fifth. Thorough samplings with no slanted questions reveal the easy and voluntary placing of over 60 million acres in this program. It is equally applicable to all types of farming—wheat, dairying and livestock, feed grains, row crops, and so forth—and should get the combined and mutual agreement of all farm organizations.

Recently one of this country's outstanding farmers and my very good friend, Gene Poirot, of the Seventh Missouri Farm Advisory Council, whose farm is near Golden City, Mo., was honored by the Missouri chapter of Gamma Sigma Delta, the honor society of agriculture. In the program notes for this important occasion was a section entitled "The Importance of Agriculture." This statement

is so well founded and succinct, that I would like to make it a part of the RECORD at this time:

IMPORTANCE OF AGRICULTURE

The importance of agriculture is apparent to all those engaged in scientific and technical phases of this basic industry. But in many nations, people have not always held agriculture in high regard. The neglect of the soil, water, plant, mineral, and animal resources—has contributed to the fall of civilization and the pauperization of their people. The consequences of this neglect are plaguing many regions and nations today.

During the last few years, the percentage of our nation's young people taking advantage of higher education has increased greatly. Unfortunately this increase has not been as great among our rural youth. The vast and increasing opportunities existent in our rapidly expanding agricultural industry have not been well enough understood.

The image of agriculture in America is archaic—it must be changed. The all-too-prevalent views of agriculture as a peasant-type way of life must be supplanted, and quickly. More and better ways must be devised for putting glamour into this great and basic American industry. Only thus can agriculture compete successfully for young leadership in this jet age of astronauts and interplanetary missiles. Members of Gamma Sigma Delta have an unprecedented opportunity and challenge to interpret the exciting future of agriculture to our brightest young people, both urban and rural.

Agriculture must keep pace with industry in the United States in all respects. To provide for the Nation's welfare and to meet the increasing food and textile requirements of an expanding population. No group of scientists, students or technicians has a more important task than those in agriculture. Gamma Sigma Delta has a place in keeping the Nation conscious of the importance of agriculture. As this group grows in strength, its beneficial influence increases accordingly. Those honored by Gamma Sigma Delta by election to membership are destined to lead in this advance on some front. Their election is more than an honor: it is a challenge that they do so.

Mr. PRICE of Texas. Mr. Chairman, I rise in opposition to limiting farm program payments. As I have said before, to penalize a man in America for initiative, for having the intestinal fortitude to take a risk and expand his operations in this country—since when is this a bad trait? Anyone who is experienced in this field knows that with that expansion comes the risk of investment, the chance to expand and to try to accomplish something, and to add to his holdings. Since when should we penalize a man for that?

If we are going to have a farm program, we should have a farm program. And if we are not going to have a farm program that our American farmer can make a living out of, then we should start phasing it out and doing it now.

Mr. Chairman, I supported the 1-year extension of the farm bill last year which provided farmers with the lead time needed to make essential plans for producing and marketing crops upon which their livelihood depends. At the same time it provided the necessary interval in which this Congress and this administration could formulate an effective farm program, a program which would improve the economic status of American agriculture, reverse the trend from costly Government programs, and assure an adequate food supply at reasonable prices.

Today, according to some information I have 500,000 to 800,000 men, women, and children are leaving the farms a year. Where are they going? They are going to the large cities and contributing to the problems that we are having in the large cities; 100,000 of these men are farmowners, landowners, people who are going broke. Today parity is at 73 percent according to the new formulation.

This program under the past administration and the one preceding that, since 1961—has resulted in a net increase in farm debt of $23.7 billion while production costs have during the same period gone up by 31 percent.

The American farmer is subsidizing the American consumer. This is where I think the politics come in. The American farmer is subsidizing the American consumer. Ten years ago the consumer was spending 25 percent of his disposable income for food; today he is spending 17 percent of his disposable income for food.

This certainly does not mean that I believe the present farm program now in its fourth year has done what it was intended to do in achieving a parity position for our farmers with our citizens in industry and commerce.

The parity ratio, which averaged 85 during the 8 years of the Eisenhower administration, averaged only 74 for 1967 and 1968 as a whole.

Quite frankly, I think we must tell the American farmer and agriculture in this country that until we get politics and politicians out of agriculture, it is not going to change one iota.

The realized net farm income in 1967 was down nearly $2 billion from the year before—a 10-percent cut in pay for farmers, while practically all other segments of industry were enjoying sizable pay increases to compensate for higher costs and prices. But the farmer is trapped by a vicious cost-price squeeze brought on by the inflationary fiscal policies of the past 8 years—a $2.5 billion deficit for the 1968 fiscal year alone. What other industry or business can take such a reduction?

U.S. News & World Report graphically illustrated the sad state of American agriculture recently. Their report shows that agriculture is the largest of the 12 biggest U.S. industries. Agriculture leads in assets, spending for equipment, and machinery, and in number of workers.

If farmers had been adequately paid for their production, agriculture would be first in income and second in sales—but it is not. The article reports that agriculture sales are less than 17 percent of assets while the next 11 largest industries have sales which average 108 percent of their assets per year. Most people do not realize how or how much the farm economy of this Nation has been affected during the last 8 years. Perhaps the most eloquent illustration of the nature and dimensions of the farm problem can be found in the fact that more than one-fourth of the Nation's farms have disappeared since 1960. From 4 million farm units then, there are now only 3 million.

The movement of people from country to city has been called by Secretary of Agriculture Orville Freeman, "the most massive migration the world has ever known."

Today seven out of 10 citizens live on less than 2 percent of the Nation's land, and most of the rest seem destined to join them. This trend was never seriously questioned by previous generations. The reason: Those who went to the city found a better life. But now, while a half-million rural migrants, many of them nonwhite, continue to make the trek to urban areas each year, they are not finding a better life. Just read and listen to the news of riots in the cities. But the cities' problems cannot be solved simply by improving living conditions and job opportunities in them. That only encourages more poor and unskilled to come off the farms in search of work, thus creating a treadmill effect. So the real solution lies in the rivitalization of rural America and the farm economy to stop this senseless migration and the continued overcrowding of our already problem-ridden cities. And especially when there are so many advantages now in our age of modern communications and transportation to living in smaller communities.

And regardless of the success or failure of the present program its very purpose is threatened by proposals to limit payments to producers. The operation of the program depends on production control and any limitation of payments will result in dire consequences to both large and small producers.

Either production costs will soar because large producers, forced out of the program because of inadequate incentives, will plant in excess of program limits or the smaller farmer will be required to produce less and less to insure that total production will not add to surpluses or the Government will be forced to buy up the surplus to stabilize prices. And increased supplies will force prices down for both large and small operators.

Why should the farmer who operates an efficient farm and has been willing to assume the debt and risks of a larger operation be penalized for trying to expand and better himself? Net income even to large farm operators is certainly far below the average returns for most other business and industry. Although the average American does not realize the real seriousness of the farm problem, the farmers do. Listen to what one farmer in my district wrote—and this is from Mr. F. D. Clayton, Box 382, Earth, Tex. He had a title for it too—"The Depression of the Sixties":

Please read about the depression of the middle sixties. For the farmers of West Texas this is as bad as the depession of the thirties. I farmed through the depression of the early thirties, and I also farmed in the depression of the middle sixties, the same place and the same land that I farmed in the thirties. To prove my point I offer these figures:

In 1932 a plow point cost $2.00; in 1968 the same point costs $9.00. In 1932 all cotton, without taking samples, brought 4½ cents a pound; in 1967 cotton in this part of the country is worth 14 cents a pound. That is the same kind of cotton we sold for 4½ cents in 1932. Cotton is about three times as high now as it was in 1932, and a plow point is four times as high.

Some say, Raise better cotton. We would if we could. We raise the very best cotton possible for this country. Our average grade of cotton is S.L.M. Lt. Sp. 31/32, and that is worth $15.95 in the loan. However, by the time they get through taking off for low micronaire, it is worth 14 cents. Note that this is the same cotton that was worth 4½ cents in 1932.

In 1932 you could get all the labor you needed for $1.25 a day. Now labor costs $12.00 to $15.00 a day. Labor is twelve times higher now, and cotton is three times higher. I do not mind paying high labor if I could add it on to my product. Farming, however, is the only business in the world that cannot do this. The more crop a farmer has the more money he loses.

A piece of machinery that a farmer purchased six years ago and which is still in good condition will bring half of the purchase price. If he wanted to replace it today, he would have to pay the same price in addition to giving the dealer the old piece of machinery as a trade-in. That is how much a farmer's cost has gone up in the last six years. The farmers are going broke as fast as they can, leaving the farms, and going to the cities. The farm workers are doing the same thing. That seems to be the way the government wants it so that we can have more slums.

Tractors are four to five times as high as they were even in 1941. The same holds true with everything else that the farmers use in order to produce.

It is not the farmer's business to keep a year's supply of food for the nation. That is the business of everyone. Therefore, it should be handled as such.

The last money farmers made was back in 1962 or 1963. In my opinion the Administration is using the farmer in such a way as to cause more trouble at home than we could ever stop overseas. When a farmer has $300,000 to $400,000 invested in farm business and can't make a good living for his family, there is something wrong with the way things are being handled. I do not believe there is a farmer in this part of the country that is worth as much money as he was two years ago. I have talked with lending agencies, and they agree with me. Unless something is done this nation is going to be hungry in a few years. This nation was built on family-size business; and when we lose that, we have lost the strength of our nation and our freedom as well.

Every business in the world that I know anything about has the right to add the cost of production on to the price of their product except farmers; they have to take what they can get. The cost of food at the farm level does not have much to do with the cost of food to the consumer. This year I had a friend who farmed three miles from town who had onions that went to waste in the field because he could not get enough for them to pay the harvesting expense. At this same time the stores were selling onions at two pounds for 29 cents. I know that we farmers get a government check, and I also know that we have to plant a crop that loses money in order to get this check. As a result, we come out broke.

Labor may think this is good for them; but they had better reconsider because when farming gets in the hands of a few, they can make you pay the price for food that they want you to pay. Also the farmer buys products. Labor produces steel, fertilizer, tractors, trucks, combines, and so many other things that one does not think of. The farmer cannot buy them without the money, and this is going to have its effect on labor.

The farmer in America is rapidly becoming the "forgotten man" of this generation. He is not going to remedy this situation by spreading too thin the resources he does have at his disposal. This is 1969—not 1920. Back in 1920, the farmer's interests were protected by a majority of the Members of Congress. In that year, 251 seats in the House of Representatives were occupied by Members who represented farm districts—those with 20 percent or more of rural farm population. Those 251 seats amounted to 57 percent or a clear majority of the 435 Members of Congress. Those were "the good old days" when you could afford to dilute your strength from time to time and go separate ways. Those days have long since passed into history.

By 1960, 51 Congressmen—only 12 percent of the total—were farm district Representatives.

The 1970 census will certainly show a further erosion of farmers' strength in Congress. According to tentative estimates of the Census Bureau we will have 39 district Representatives or slightly less than 9 percent after the 1970 census.

Now, the crucial question that faces today's farmer is: How best can I use the strength and the resources I do have to advance my own economic well-being and that of my fellow farmers?

The answer as I see it is that the farmer must learn what all minority groups sooner or later must learn: pool your resources and speak with one voice. So, although I did support a 1-year extension to the present program, this Congress must face up to the task and the dire necessity of overhauling this program and giving the farmer, the forgotten man of this generation, a fair shake and a fair share of the proceeds of the abundance of our economy. He has done more and done it better for the American consumer and hungry millions in other countries and realized less for his efforts than any other citizen. He deserves better and I believe there are enough Members of this body and the Agriculture Committee who realize that this country cannot continue to prosper and solve the problems of its cities without first solving the problems of agriculture and revitalizing the agricultural economy of America.

Let it be remembered that our farm program is basically an effort to bring supply into rough balance with reasonable demand for farm products. Our farm program has never sought to establish an exact balance; we have always felt it was better to err on the side of overproduction, and I am sure that this will always be our policy. But we do recognize that a relatively small overproduction ofttimes results in disastrous breaks in price for our producers. Typically, a 1-percent overproduction will often result in a 5-percent break in price.

Some countries have felt that it was sound for the Government to set all prices. Of course, when you fix prices you have to fix wages and you have to fix margins of profit. We in the United States have generally felt that if possible we should avoid the complications of complete price and wage controls. I concur in that view, but if we are to ask the farmer to continue to produce for sale in an uncontrolled market while he is buying the products of labor and industry at completely administered prices, he must have the help of some device which will at least reduce unneeded production.

Our present land retirement program pays the owner of the land for retiring certain unneeded acres from production. It is much cheaper to retire these acres before any of the expenses of making a crop are incurred than it is to purchase and retire the unneeded crop after it is produced. The average payment for retirement of an acre of corn is $40 while the value of the average production at parity prices is $106.60. When a farmer the tenement owner who sells his housretires acres from production, he, of course, reduces his income just as does ing units to the housing authority and just as does the landowner who conveys his land to the city or State for highway purposes.

You would all readily recognize the impracticability of limiting payments for land needed for slum clearance or for highways to a figure of $5,000, $10,000, or even $50,000 per owner. Why, then, can we not see the impracticability of limiting the amount of land use or retirement rental which can be purchased from any one landowner for achieving the needed production balance in agriculture? I see no difference other than that in the first case we are speaking of the purchase of fee simple title to land, in the second case we are speaking of purchasing the right to use the land for a limited period of time. In each case, payments must be made if the program is to be effective not on the basis of need of the landowner but on the basis of the value of the rights transferred to public use.

It is certainly impossible in the case of most commodities to achieve any effective balance simply by the removal of small holdings from production, and the very effort to confine the bulk of this removal to small holdings would be destructive of those very small farmers we would all like to protect. Suppose we want to remove 1,000 acres of wheat, cotton, or corn from production. Is the farmer who is planting only 10 acres of the commodity better served when we take the entire 1,000 acres from one larger farmer or when we take the entire holdings of 100 10-acre farmers? And yet, that is what is required if we are to maintain the effectiveness of the program, and if we are going to deny payments to the larger operators. The only possible alternative is to reduce the effectiveness of the program or to take a cruel and destructive percentage of land from the small operator. The program just will not work if you eliminate the participation on the part of the large operators.

Nor is the existing program the bonanza for large owners which the advocates of the amendment evidently suppose it to be. This misconception of this situation grows out of the assumption that everything that the large operator gets in the way of payment for his retired acres is profit. If this were true, I think that it is clear that every large operator would seek to put the maximum number of acres in the retirement program, but this is not the case. Most of these operators place no more in the program than they are required

to in order to participate. Remember that in our grain programs especially, the landowner must often retire as much land with no payment as he can retire with payment. I know of no stronger evidence that these payments are not the bonanza that so many unthinking critics have assumed, and surely if we make it impossible for the large operators to participate in the program and receive the same kind of payments that all others receive for the retirement of their land, they will stay out of the programs and thus destroy by the overabundance of their production the value of the production of the so-called small farmer. The proposal is not only ill advised but it is self-defeating; it is counter productive. It breaks down the very thing which the basic program seeks to establish—that is, a reasonable degree of balance between supply and demand.

An outline of the case against limiting farm program payments follows:

THE CASE AGAINST LIMITING FARM PROGRAM PAYMENTS

I. Payment limitation conflicts with production adjustment (unless limit is only a token).

A. Failure of production adjustment means total failure of program.

1. Production adjustment is major means of (a) strengthening farm prices, (b) limiting government costs, (c) preventing waste of resources in surplus production.

2. Production adjustment is vital because agriculture has capacity to produce about 12 percent more than markets will take without disastrous price reductions.

(a) Manufacturers hold about 12 percent of capacity out of production, but farmers historically have been unable to do so without a program—partly because they are so many, partly because most farmers are their own labor supply and cannot fire themselves from job, partly because their investments and commitments and climate allow few choices.

B. Success of program depends upon attracting into program those who produce most of the market supply.

1. In a voluntary program, a farmer takes part only if he is paid fairly for what it costs him to participate.

(a) He gives up income from diverted acres. Farmer diverting 100 acres gives up twice as much as farmer diverting 50 acres.

(b) He spends money to devote diverted acres to conserving uses (twice as much for 100 acres as for 50).

(c) He believes in free-enterprise concept that a man is paid fair value for his goods and services. As Secretary Freeman has pointed out to members of this body, when we take a man's land for urban renewal or a highway, we pay him fairly. Farm program should follow same principle.

II. Payment limitation conflicts with market development.

A. Payments are not an end in themselves but rather a means to an end—a program method. Alternative is price-support loan at higher levels than we now have. But higher loans tend to reduce export opportunities and could even interfere with domestic market development.

1. Exports in fiscal year 1967 totaled $6.8 billion, compared with $4.5 billion in 1960. And dollar sales were up 62 percent—from $3.2 billion to $5.2 billion. For 1968 fiscal, preliminary estimates indicate total agricultural exports of $6.4 billion of which nearly $5 billion are commercial sales—despite very strong world competition.

2. Agricultural exports exceed imports, help meet balance-of-payments problem.

3. Farmers depend on exports as market for more than one-half of wheat production, two-thirds of milled rice, a third or more of the grain sorghum, soybeans, cotton and tobacco they produce; more than a fourth of the flaxseed; nearly a fourth of the corn.

III. Payment limitation conflicts with surplus reduction.

A. Surplus reduction is a function of both production adjustment and market development. Each has had a part in reducing CCC inventory from $6,148,000,000 in October of 1960 to $896,000,000 as of May 31, 1968.

B. Surplus is still a great danger because of capacity for overproduction and tendency to use it. Same program we had in the 1950's would accumulate surpluses as before. Program we have now will enable us to continue to deal successfully with surplus problem.

IV. Payment limitation conflicts with sugar, wool, and conservation policy.

A. Many of the larger payments are for purpose of carrying out sugar policy—to help maintain a domestic sugar industry and assure U.S. of continuous adequate supplies at reasonable prices.

B. Payments also help maintain domestic wool industry.

C. Conservation cost-sharing payments are included in the totals about which there has been so much publicity.

1. Nobody makes a profit from conservation cost-share payments. Public pays about half of what it costs the land owner to carry out conservation measures which are primarily for the long-term benefit of the public.

V. Payment limitation would hurt the small farmer as well as larger farmer.

A. Farm program is based on policy of encouraging family-type farming in this country—to keep the means of production widely owned—to keep the land primarily in the hands of the operators.

1. Policy is succeeding. Family-type farming is the dominant part of American agriculture and growing stronger in relation to other types. Big payments are only the phenomenon resulting from treating all farmers alike (except for certain higher rates of payment for small farms).

B. Exclusion of big producers from programs would throw burden of production adjustment on family-type and smaller farms.

1. Exclude a farm which should divert 1,000 acres, and you have to get 100 small farmers to divert an additional 10 acres each. This is not good for those producing too little to keep busy. It would cost government more.

C. Family-type and smaller farms take part in farm program because they need the same results as do larger farmers—better prices, better markets.

1. Last year a sixth of all participants received payments of less thar $100 and half received less than $500. They do participate.

D. Some small farmers need program help in addition to the commodity programs.

1. We should not try to correct all the ills of agriculture through this one program. Take care of poverty and training needs, and special credit needs, etc. through other means rather than by discriminating among farmers in payments, which are merely program machinery, not welfare.

VI. Payment limitation would not help the Poor People.

A. Food aid from federal government is at record level.

B. Food is plentiful and cheap for those who have jobs.

1. Takes less than 17.7 percent of take-home pay—20 years ago it was 25 percent. One hour of factory labor buys nearly twice as much bread as in 1929; over twice as much round steak.

2. Production of more food by farmers, at heavy cost to themselves, would not help Poor People.

C. Opponents of farm program do not appear to be proposing that the farm program payments and price-support loan funds be converted to doles for the poor. Some appear to be using the plight of the poor as another convenient weapon with which to bludgeon the farm program.

D. Farm program does not displace tenants.

1. Production per man-hour has gone up in non-program commodities just as in program commodities. It is technological revolution and surplus production and low farm prices that cause workers to be displaced—not the program. Blame the disease, not the medicine.

2. Law requires rights of tenants to be protected. USDA does this to best of its ability.

VII. Payment limitation conflicts with economic welfare of Nation.

A. Successful farm program is essential to U.S. prosperity.

1. Agriculture is basic industry. Supplier of raw materials. Buyer of what others produce. Three out of 10 jobs in industry depend on farm prosperity.

B. Successful program is essential to American future.

1. Strong, prosperous, productive agriculture is our guarantee of food and fiber to meet our growing needs and help us maintain world conditions in which peace can flourish. Weak, impoverished American agriculture would be extremely dangerous to us and our descendants.

C. Payment is important means of making program successful. Do not prevent its effective use.

Mr. WHITTEN. Mr. Chairman, since the Treasury and Post Office appropriation bill is scheduled for consideration following this bill, and so that Members may get through with the legislative program in time for the Memorial Day recess, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. WRIGHT, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 11612) making appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1970, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

Mr. WHITTEN. Mr. Speaker, I move the previous question on the bill and all amendments to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment?

Mr. CONTE. Mr. Speaker, I demand a separate vote on the so-called Conte amendment.

The SPEAKER. Is a separate vote demanded on any other amendment? If not, the Chair will put them en bloc.

The amendments were agreed to.

The SPEAKER. The Clerk will report the amendment on which a separate vote has been demanded.

The Clerk read as follows:

Amendment: On page 22, line 17, strike the period and insert the following: " : *Provided further,* That no part of the funds appropriated by this Act shall be used to formulate or carry out any price support program (other than for sugar) under which payments aggregating more than $20,000 under all such programs are made to any producer on any crops planted in the fiscal year 1970."

The SPEAKER. The question is on the amendment.

Mr. CONTE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 225, nays 142, answered "present" 2, not voting 63, as follows:

[Roll No. 64]

YEAS—225

Abbitt	Fulton, Tenn.	Nelsen
Adair	Gallagher	Nix
Adams	Garmatz	Obey
Addabbo	Gaydos	O'Hara
Andrews, N. Dak.	Giaimo	O'Konski
	Gibbons	O'Neill, Mass.
Annunzio	Gilbert	Ottinger
Ashbrook	Green, Oreg.	Pelly
Baring	Green, Pa.	Pepper
Barrett	Griffiths	Pettis
Beall, Md.	Gross	Philbin
Bennett	Grover	Pike
Betts	Gubser	Pirnie
Biaggi	Gude	Podell
Biester	Haley	Poff
Blackburn	Hall	Price, Ill.
Boland	Halpern	Pucinski
Bolling	Hamilton	Quie
Brademas	Hanley	Quillen
Brasco	Harsha	Railsback
Brock	Harvey	Reid, N.Y.
Broomfield	Hastings	Reuss
Brotzman	Hawkins	Riegle
Brown, Mich.	Hays	Robison
Brown, Ohio	Hechler, W. Va.	Rodino
Broyhill, Va.	Heckler, Mass.	Rogers, Colo.
Buchanan	Hicks	Rogers, Fla.
Burke, Fla.	Hogan	Ronan
Burke, Mass.	Holifield	Rooney, N.Y.
Button	Horton	Rooney, Pa.
Byrne, Pa.	Hosmer	Rosenthal
Cederberg	Howard	Rostenkowski
Celler	Hungate	Roth
Chamberlain	Hutchinson	Ruppe
Clancy	Ichord	Ryan
Clark	Jacobs	St Germain
Clay	Jarman	Saylor
Cleveland	Joelson	Schneebeli
Cohelan	Johnson, Pa.	Schwengel
Collier	Karth	Scott
Conable	Kastenmeier	Shipley
Conte	Keith	Smith, Calif.
Coughlin	Kleppe	Snyder
Cramer	Kluczynski	Springer
Culver	Koch	Stafford
Cunningham	Lipscomb	Staggers
Daddario	Long, Md.	Stanton
Daniels, N.J.	Lowenstein	Steiger, Wis.
Dawson	Lujan	Stokes
Delaney	McCarthy	Sullivan
Dennis	McCloskey	Symington
Dent	McCulloch	Taft
Derwinski	McDade	Teague, Calif.
Diggs	McDonald, Mich.	Thompson, N.J.
Dingell	McEwen	Tiernan
Donohue	MacGregor	Utt
Duncan	Madden	Van Deerlin
Edwards, Calif.	Mailliard	Vander Jagt
Eilberg	Marsh	Vanik
Erlenborn	Mayne	Waldie
Esch	Meskill	Watkins
Eshleman	Mikva	Weicker
Fallon	Miller, Calif.	Whalen
Farbstein	Minish	Whalley
Fascell	Minshall	Widnall
Feighan	Mollohan	Williams
Findley	Monagan	Wolff
Fish	Moorhead	Wright
Flood	Morgan	Wyatt
Ford, William D.	Morse	Wydler
	Mosher	Wylie
Fraser	Moss	Wyman
Frelinghuysen	Murphy, Ill.	Yates
Frey	Murphy, N.Y.	Yatron
Friedel	Nedzi	Zablocki
Fulton, Pa.		Zwach

NAYS—142

Abernethy	Fuqua	Natcher
Albert	Galifianakis	Nichols
Alexander	Gonzalez	Olsen
Anderson, Ill.	Goodling	O'Neal, Ga.
Anderson, Tenn.	Gray	Passman
	Griffin	Patman
Andrews, Ala.	Hagan	Patten
Arends	Hammer-schmidt	Perkins
Aspinall		Pickle
Ayres	Hansen, Idaho	Poage
Belcher	Hansen, Wash.	Preyer, N.C.
Bevill	Hathaway	Price, Tex.
Blanton	Henderson	Pryor, Ark.
Boggs	Hull	Purcell
Bow	Johnson, Calif.	Rarick
Bray	Jonas	Reid, Ill.
Brinkley	Jones, Ala.	Rhodes
Brooks	Jones, N.C.	Roberts
Broyhill, N.C.	Jones, Tenn.	Ruth
Burlison, Mo.	Kazen	St. Onge
Burton, Utah	Kee	Satterfield
Bush	King	Schadeberg
Byrnes, Wis.	Kyros	Sebelius
Cabell	Landgrebe	Shriver
Caffery	Landrum	Sikes
Camp	Langen	Sisk
Casey	Leggett	Skubitz
Chappell	Lennon	Slack
Clausen, Don H.	Lloyd	Smith, Iowa
	Long, La.	Smith, N.Y.
Collins	Lukens	Steed
Daniel, Va.	McClory	Steiger, Ariz.
Davis, Ga.	McFall	Stuckey
Davis, Wis.	McKneally	Talcott
Dellenback	McMillan	Taylor
Denney	Mahon	Teague, Tex.
Devine	Mann	Udall
Dickinson	Mathias	Ullman
Dorn	Matsunaga	Vigorito
Dowdy	May	Waggonner
Downing	Meeds	Wampler
Edmondson	Michel	Watson
Evans, Colo.	Miller, Ohio	White
Fisher	Mills	Whitehurst
Flowers	Mink	Whitten
Flynt	Mize	Winn
Foley	Mizell	Zion
Ford, Gerald R.	Montgomery	
Fountain	Myers	

ANSWERED "PRESENT"—2

Hanna	Wilson, Charles H.

NOT VOTING—63

Anderson, Calif.	Dulski	Powell
	Dwyer	Randall
Ashley	Eckhardt	Rees
Bates	Edwards, Ala.	Reifel
Bell, Calif.	Edwards, La.	Rivers
Berry	Evins, Tenn.	Roudebush
Bingham	Foreman	Roybal
Blatnik	Gettys	Sandman
Brown, Calif.	Goldwater	Scherle
Burleson, Tex.	Hébert	Scheuer
Burton, Calif.	Helstoski	Stephens
Cahill	Hunt	Stratton
Carey	Kirwan	Stubblefield
Carter	Kuykendall	Thompson, Ga.
Chisholm	Kyl	Thomson, Wis.
Clawson, Del	Latta	Tunney
Colmer	McClure	Watts
Conyers	Macdonald, Mass.	Wiggins
Corbett		Wilson, Bob
Corman	Martin	Wold
Cowger	Morton	Young
de la Garza	Pollock	

So the amendment was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Hanna for, with Mr. Tunney against.

Mr. Charles H. Wilson for, with Mr. Rivers against.

Mr. Stratton for, with Mr. Edwards of Louisiana against.

Mr. Conyers for, with Mr. Bingham against.

Mr. Scheuer for, with Mr. Hébert against.

Mr. Blatnik for, with Mr. Evins of Tennessee against.

Mr. Macdonald of Massachusetts for, with Mr. Young against.

Mr. Anderson of California for, with Mr. Stephens against.

Mr. Carey for, with Mr. Gettys against.

Mr. Rees for, with Mr. Stubblefield against.

Mr. Roybal for, with Mr. de la Garza against.

Mr. Dulski for, with Mr. Burleson of Texas against.

Mr. Ashley for, with Mr. Colmer against.

Mr. Latta for, with Mr. Kyl against.

Mr. Del Clawson for, with Mr. Carter against.

Mr. Hunt for, with Mr. Wold against.

Mr. Corbett for, with Mr. Kuykendall against.

Mr. Thomson of Wisconsin for, with Mr. Scherle against.

Mr. Goldwater for, with Mr. Morton against.

Until further notice:

Mr. Brown of California with Mr. Wiggins.
Mr. Burton of California with Mr. Pollock.
Mr. Kirwan with Mr. Cahill.
Mr. Watts with Mr. Cowger.
Mr. Powell with Mr. Sandman.
Mr. Eckhardt with Mr. Foreman.
Mr. Corman with Mr. Bob Wilson.
Mr. Randall with Mrs. Dwyer.
Mr. Helstoski with Mr. Reifel.
Mr. Chisholm with Mr. Bell.
Mr. Bates with Mr. McClure.
Mr. Edwards of Alabama with Mr. Berry.
Mr. Martin with Mr. Roudebush.

Mr. HANNA. Mr. Speaker, I have a live pair with the gentleman from California (Mr. TUNNEY). If he had been present, he would have voted "nay." I voted "yea." I withdraw my vote and vote "present."

Mr. ADAMS changed his vote from "nay" to "yea."

Mr. ROONEY of New York changed his vote from "nay" to "yea."

Mr. CHARLES H. WILSON. Mr. Speaker, I have a live pair with the gentleman from South Carolina (Mr. RIVERS). If he had been present, he would have voted "nay." I voted "yea." I withdraw my vote and vote "present."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on engrossment and third reading of the bill.

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

MOTION TO RECOMMIT OFFERED BY MR. MICHEL

Mr. MICHEL. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. MICHEL. In its present form I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. MICHEL moves to recommit the bill H.R. 11612 to the Committee on Appropriations.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

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. GERALD R. FORD. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 322, nays 50, not voting 60, as follows:

[Roll No. 65]

YEAS—322

Abbitt	Fisher	Mink
Abernethy	Flood	Mize
Adair	Flowers	Mizell
Addabbo	Flynt	Mollohan
Albert	Foley	Monagan
Alexander	Fountain	Montgomery
Anderson, Ill.	Fraser	Moorhead
Anderson, Tenn.	Frelinghuysen	Morgan
	Frey	Morse
Andrews, Ala.	Friedel	Mosher
Andrews, N. Dak.	Fulton, Tenn.	Moss
	Fuqua	Murphy, Ill.
Annunzio	Galifianakis	Murphy, N.Y.
Arends	Gallagher	Myers
Ashbrook	Garmatz	Natcher
Aspinall	Gaydos	Nedzi
Ayres	Giaimo	Nelsen
Baring	Gibbons	Nichols
Barrett	Gilbert	Nix
Beall, Md.	Gonzalez	Obey
Belcher	Gray	O'Hara
Betts	Green, Oreg.	O'Konski
Bevill	Green, Pa.	Olsen
Biaggi	Griffin	O'Neal, Ga.
Biester	Griffiths	O'Neill, Mass.
Blanton	Gross	Passman
Boggs	Hagan	Patman
Boland	Haley	Patten
Bolling	Hall	Pepper
Bow	Hamilton	Perkins
Brademas	Hammer-schmidt	Pettis
Brasco		Philbin
Bray	Hanna	Pickle
Brinkley	Hansen, Idaho	Pirnie
Brock	Hansen, Wash.	Poage
Brooks	Harsha	Poff
Broomfield	Harvey	Preyer, N.C.
Brotzman	Hastings	Price, Ill.
Brown, Mich.	Hathaway	Price, Tex.
Brown, Ohio	Hawkins	Pryor, Ark.
Broyhill, N.C.	Hays	Purcell
Broyhill, Va.	Heckler, Mass.	Quie
Buchanan	Henderson	Quillen
Burke, Fla.	Hicks	Railsback
Burke, Mass.	Hogan	Rarick
Burlison, Mo.	Holifield	Reid, Ill.
Burton, Utah	Horton	Reid, N.Y.
Bush	Hull	Reuss
Button	Hungate	Rhodes
Byrne, Pa.	Hutchinson	Riegle
Byrnes, Wis.	Ichord	Roberts
Cabell	Jarman	Robison
Caffery	Johnson, Calif.	Rodino
Camp	Jonas	Rogers, Colo.
Casey	Jones, Ala.	Rogers, Fla.
Cederberg	Jones, N.C.	Ronan
Celler	Jones, Tenn.	Rooney, N.Y.
Chamberlain	Karth	Rooney, Pa.
Chappell	Kastenmeier	Rostenkowski
Clark	Kazen	Roth
Clausen, Don H.	Kee	Ruppe
	Keith	Ruth
Clay	King	St. Onge
Cleveland	Kleppe	Satterfield
Collins	Kluczynski	Schadeberg
Conable	Kyros	Schwengel
Conte	Landgrebe	Scott
Coughlin	Landrum	Sebelius
Cramer	Langen	Shipley
Culver	Leggett	Shriver
Cunningham	Lennon	Sikes
Daddario	Lipscomb	Sisk
Daniel, Va.	Lloyd	Skubitz
Daniels, N.J.	Long, La.	Slack
Davis, Ga.	Long, Md.	Smith, Iowa
Davis, Wis.	Lowenstein	Smith, N.Y.
Dawson	Lujan	Snyder
Delaney	Lukens	Springer
Dellenback	McClory	Stafford
Denney	McCloskey	Staggers
Dennis	McCulloch	Stanton
Dent	McDade	Steed
Derwinski	McDonald, Mich.	Steiger, Ariz.
Dickinson		Steiger, Wis.
Diggs	McEwen	Stokes
Dingell	McFall	Stuckey
Donohue	McKneally	Sullivan
Dorn	McMillan	Symington
Dowdy	MacGregor	Talcott
Downing	Madden	Taylor
Duncan	Mailliard	Teague, Calif.
Eckhardt	Mann	Teague, Tex.
Edmondson	Marsh	Thompson, N.J.
Edwards, Ala.	Mathias	Tiernan
Eilberg	Matsunaga	Udall
Erlenborn	May	Ullman
Esch	Mayne	Van Deerlin
Evans, Colo.	Meeds	Vander Jagt
Fallon	Meskill	Vigorito
Fascell	Miller, Calif.	Waggonner
Feighan	Miller, Ohio	Waldie
Findley	Mills	Wampler
Fish	Minish	Watson
Watts	Williams	Yates
Weicker	Wilson, Charles H.	Yatron
Whalen		Zablocki
White	Winn	Zion
Whitehurst	Wright	Zwach
Whitten	Wylie	
Widnall	Wyman	

NAYS—50

Adams	Gude	Pike
Bennett	Halpern	Podell
Blackburn	Hanley	Pucinski
Clancy	Hechler, W. Va.	Rosenthal
Cohelan	Hosmer	Ryan
Collier	Howard	St Germain
Devine	Jacobs	Saylor
Edwards, Calif.	Joelson	Schneebeli
Eshleman	Johnson, Pa.	Smith, Calif.
Farbstein	Koch	Taft
Ford, Gerald R.	McCarthy	Utt
Ford, William D.	Mahon	Vanik
	Michel	Watkins
Fulton, Pa.	Mikva	Whalley
Goodling	Minshall	Wolff
Grover	Ottinger	Wyatt
Gubser	Pelly	Wydler

NOT VOTING—60

Anderson, Calif.	de la Garza	Powell
	Dulski	Randall
Ashley	Dwyer	Rees
Bates	Edwards, La.	Reifel
Bell, Calif.	Evins, Tenn.	Rivers
Berry	Foreman	Roudebush
Bingham	Gettys	Roybal
Blatnik	Goldwater	Sandman
Brown, Calif.	Hébert	Scherle
Burleson, Tex.	Helstoski	Scheuer
Burton, Calif.	Hunt	Stephens
Cahill	Kirwan	Stratton
Carey	Kuykendall	Stubblefield
Carter	Kyl	Thompson, Ga.
Chisholm	Latta	Thomson, Wis.
Clawson, Del	McClure	Tunney
Colmer	Macdonald, Mass.	Wiggins
Conyers		Wilson, Bob
Corbett	Martin	Wold
Corman	Morton	Young
Cowger	Pollock	

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Hébert for, with Mr. Corman against.

Mr. Burleson of Texas for, with Mr. Scheuer against.

Mr. Latta for, with Mr. Corbett against.

Mr. Morton for, with Mr. Del Clawson against.

Mr. Bob Wilson for, with Mr. Kuykendall against.

Until further notice:

Mr. Kirwan with Mr. Cahill.

Mr. Burton with Mr. Reifel.

Mr. Macdonald of Massachusetts with Mr. Bates.

Mr. Evins of Tennessee with Mr. Thomson of Wisconsin.

Mr. Rivers with Mr. Kyl.

Mr. Gettys with Mr. Berry.

Mr. Brown of California with Mr. Sandman.

Mr. Colmer with Mr. Cowger.

Mr. Stubblefield with Mr. McClure.

Mr. Randall with Mr. Foreman.

Mr. Carey with Mrs. Dwyer.

Mr. Blatnik with Mr. Scherle.

Mr. Edwards of Louisiana with Mr. Carter.

Mr. Stratton with Mr. Roudebush.

Mr. Tunney with Mr. Pollock.

Mr. Young with Mr. Martin.

Mr. Bingham with Mr. Wiggins.

Mr. Ashley with Mr. Goldwater.

Mr. Anderson of California with Mr. Hunt.

Mr. Dulski with Mr. Wold.

Mr. Powell with Mr. Bell.

Mr. Rees with Mr. Thompson of Georgia.

Mr. Roybal with Mr. Helstoski.

Mrs. Chisholm with Mr. Conyers.

Mr. SAYLOR changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded. A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed and include extraneous matter.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed a concurrent resolution of the House of the following title:

H. Con. Res. 277. Providing for an adjournment of the House of Representatives from Wednesday, May 28, 1969, until Monday, June 2, 1969.

LEGISLATIVE PROGRAM

Mr. GERALD R. FORD. Mr. Speaker, I ask unanimous consent to proceed for 1 minute for the purpose of asking the distinguished majority leader the program for the rest of the day and the rest of the week.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

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

Mr. GERALD R. FORD. I yield to the gentleman from Oklahoma.

Mr. ALBERT. Mr. Speaker, in response to the inquiry of the distinguished minority leader the next order of business will be the bill, H.R. 11582, the Treasury, Post Office, and Executive Office appropriation bill, 1970.

On tomorrow, as previously announced, the House will consider the bill, H.R. 4204, to amend the War Claims Act of 1948 and House Resolution 425 to transfer funds within the offices of the Clerk and the Sergeant at Arms of the House of Representatives.

Mr. GERALD R. FORD. I thank the distinguished majority leader.

TREASURY, POST OFFICE, AND EXECUTIVE OFFICE APPROPRIATIONS, 1970

Mr. PEPPER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 424 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 424

Resolved, That during the consideration of the bill (H.R. 11582) making appropriations for the Treasury and Post Office Departments, the Executive Office of the President, and certain independent agencies, for the fiscal year ending June 30, 1970, and for other purposes, all points of order against section 502 of said bill are hereby waived.

The SPEAKER. The gentleman from Florida (Mr. PEPPER) is recognized for 1 hour.

Mr. PEPPER. Mr. Speaker, I yield 30 minutes to the distinguished gentleman from Illinois (Mr. ANDERSON) and myself such time as I may consume.

Mr. Speaker, House Resolution 424 provides for a rule waiving all points of order against section 502 of H.R. 11582, the Treasury, Post Office, and Executive Office appropriation bill, 1970.

The reason for the waiver is that section 502 constitutes legislation on an appropriation bill.

This section 502 would set aside, Mr. Speaker, only for 1 year the personnel ceiling on the Treasury, Post Office, and Executive Office which ceiling was placed on the governmental agency by Public Law 90–364.

In the case of the Treasury, Mr. Speaker, it was reported to the Committee on Rules that there has been a loss of about a half billion dollars and there have been many, many losses to the Customs Bureau by reason of not having adequate personnel.

I think therefore that this waiver should be allowed.

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

Mr. PEPPER. I yield to the distinguished gentleman from Missouri.

Mr. HALL. Mr. Speaker, I appreciate the gentleman yielding.

Do I understand that this resolution reported out by the Committee on Rules waives all points of order on section 502 of the bill that we are to consider, H.R. 11582, and that involves, according to the committee report, 17,800 additional jobs for these various agencies? In effect, such action actually does away with the applicable portion of the Economic Assistance Act of last year.

Mr. PEPPER. It applies to those three departments for only 1 year.

Mr. HALL. Yes, but in those three departments, Mr. Speaker, there are 17,800 jobs, according to the committee report. It is perhaps for only 1 year, but the intent of the Economic Assistance Act, in the first place, was to retrench in order that we could avoid further spirals of inflation, in order that we could eliminate the pipeline and, indeed, as part of the genesis of the surtax, which we are all suffering from. It seems to me exceedingly strange that, in the wisdom of the Committee on Rules, we should have a waiver of points of order, which takes away all the rights of all the Members to present a point of order under such circumstances as this, which is in turn really a two-edged sword: One, which repeals the Economic Assistance Act, in effect, as we did indeed make exceptions to it last year in certain areas; second, it takes away the right of the Members.

Therefore, I think that this rule should be defeated out of hand, if that is the intent of this, because section 502 plainly provides:

SEC. 502. Positions in the agencies covered by this Act, whether financed from funds contained in this Act or from other sources, may be filled during the fiscal year 1970 without regard to the provisions of section 201 of Public Law 90–364.

The Economic Assistance Act—

and such positions shall not be taken into consideration in determining numbers of employees—

That language makes it open ended. I do not feel it is the mood of the people or the Congress to pass such legislation, especially through the device of waiving points of order and the individual Member's prerogative in such instances. I appreciate the gentleman yielding. I would like further explanation.

Mr. PEPPER. Mr. Speaker, I yield to the able gentleman from Oklahoma, the chairman of the subcommittee, to explain the matter.

Mr. STEED. I am sorry to have to take some of the wind out of the sails of my good friend from Missouri. But he ought to know the postal field service is already exempt by the law itself we passed last year. The 4,500 jobs in this bill for the Treasury Department would be affected by this exemption, and, of course, it would preclude further reductions in personnel already on the rolls.

The gentleman sat here all day yesterday and today and let the Agriculture appropriation bill go through with this very same exemption in it, and he did not open his mouth. Now we are affecting the agencies of the Government that enforce the laws and bring in the revenues we so badly need, and all of a sudden the gentleman wants to raise a point about our giving them the manpower they must have to do their job.

Mr. HALL. Mr. Speaker, will the gentleman yield further?

Mr. PEPPER. I am glad to yield to the able gentleman from Missouri.

Mr. HALL. I appreciate most of what the gentleman from Oklahoma said. Indeed, I think the wind from him blows as agreeably as the wind over the plains of his fair State, and he can always take out of my sails in any opportunity he has.

I think the reason for asking for a waiver of points of order in this case should be very obvious to the Members after the fiasco we have been through yesterday and today; but, whether I would waive or suffer any of my rights to go by the board on a Department of Agriculture bill is not to the point at all. The point is, that now we have another annual appropriation bill coming in with a waiver of points of order. It approaches becoming customary. It is true, I know, that we did exempt certain postal employees last year, as we did some FAA and USVA employees, and so forth. As the gentleman from Oklahoma would know if he referred to the RECORD, it was not done with my support and vote, because I was one of the ones who knew that in the months previous, 87,000 employees were hired before we made the exception to the Economic Assistance Act. Be that as it may, I still think—and appreciate the gentleman yielding—this should be defeated out of hand, and I wonder what has happened to the gentleman from Texas, the chairman of the Committee on Appropriations, who very recently said that we should go all the way and we should have no exceptions to the hiring rule or the Economic Assistance Act, or the new formula he was so proud of in a statement before this House recently.

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

Mr. PEPPER. I yield to the distinguished chairman of the Committee on Appropriations.

Mr. MAHON. I thank the gentleman for yielding.

Mr. Speaker, I feel sure the views of the gentleman from Missouri are probably identical to mine with respect to the issue now before us. Last year the Treasury Department, the Customs Bureau, and the Internal Revenue Service, according to the evidence, lost revenue to the tune of more than 500 million because of the cutback in personnel for revenue-collecting work.

The great majority of members of the Committee on Appropriations on both sides of the aisle is in favor of exempting these employees, so that we would not sustain another half-billion dollar loss next year. The committee had no hesitancy in recommending that section 201 of the Revenue and Expenditure Control Act of 1968 be set aside in this regard.

It will save us money. It is a very sound thing.

It is strongly supported by the President.

It is strongly supported by the Director of the Bureau of the Budget.

It is strongly supported by the Secretary of the Treasury.

I believe there is some misunderstanding, because knowing the gentleman's general philosophy as I do, I believe he would not object to this rule or object to this provision. Would the gentleman explain his position a little more to give me an opportunity to explain the views of the committee?

Mr. HALL. Mr. Speaker, will the gentleman yield further?

Mr. PEPPER. I yield to the able gentleman from Missouri.

Mr. HALL. Mr. Speaker, I appreciate the attempt on the part of the gentleman from Texas, the chairman of the Committee on Appropriations. I think what he is saying is that the Martinsburg monster is not working, or that Parkinson's law is in effect and that sending more personnel and more money is the only forthcoming solution to the problem after we have spent billions of dollars to reduce personnel requirements.

I have read the report in detail. I understand the action of the Committee on Appropriations. We were told when we put the computer in for the Internal Revenue Service at the cost of many millions of dollars that we would be able to decrease the number of personnel. Now they are coming back for more. I doubt if the people of America, who are being harassed by the Internal Revenue Service, appreciate the fact that they will be harassed for more and more funds under the progressive income tax or the retrogressive payroll tax with the Martinsburg monster working or not with more personnel, if we try to collect more and more taxes which should be left at home with the taxpayers in the first place.

Mr. MAHON. Mr. Speaker, if the gentleman from Florida will yield further, all taxpayers in my opinion generally feel that all other taxpayers certainly should pay their due and just taxes, and the taxes of those who pay every dollar that is owed every year are heavier by reason of anyone who may have escaped appropriate audit and payment of an appropriate sum. So the approximately $500 million we have lost in rev-

enue last year is just an additional burden on the people we represent. I think the gentleman would recognize that in this particular field it is very wise indeed for us to give the agency the number of people they need.

I do not know of a member of the Appropriations Committee, or of the Ways and Means Committee through which the expenditure control legislation was handled last year—this part of which originated in the other body—who would object to the pending waiver provision.

So, I would hope that we could adopt the rule without a rollcall and then move right into a discussion of the bill. Of course, a motion would be in order to strike this waiver provision if any Member so desires.

Mr. HALL. If the gentleman from Florida will yield further, the gentleman from Texas speaks in paradoxes. If we vote in favor of the rule, then the motion to strike would not lie against it, in view of the fact that the point of order would have already been waived.

The gentleman knows I have made book for a long time against waiving of points of order so far as the procedures of the House are concerned. If, indeed, the waiver of points of order is valid, as the Chairman of the Appropriations Committee says, why not make it applicable only to the Treasury Department? This says that all agencies under this bill; namely, the Post Office and Executive Offices and certain independent agencies, all are exempt as far as this is concerned.

Mr. MAHON. The postal field service is already exempt under the existing law, and that service involves the great bulk of employees outside the Treasury Department. I think the gentleman really is in accord with the actions of the committee with respect to this matter, except for the policy posture which he wants to assume of being against the rule.

Mr. HALL. I am against waiver of points of order in rules—or closed rules—which deny the individually elected Representative in Congress his day in court, the original rules of procedure from Thomas Jefferson to date have been made for protection of the minority, or the individual. This is what I am against and why I make book against such points of order. The distinguished gentleman has apparently asked for exemption of all agencies under this bill we are being asked to take up this afternoon.

Mr. PEPPER. Mr. Speaker, the gentleman will take note of the fact that this is an open rule. The Committee on Rules felt a compelling case in the public interest for the waiver of this point of order had been made by the Appropriation Committee, and our committee hopes the House will agree.

Mr. ANDERSON of Illinois. Mr. Speaker, I believe the Committee on Rules tries very hard to be judicious in its exercise of discretion with respect to the matter of granting of waivers of points of order. We have no desire, certainly, to rob or to deprive any Member of this body of his right to make those points.

I certainly concur in what the gentleman from Florida said, and in what the chairman of the subcommittee, the gentleman from Oklahoma (Mr. STEED), said before the Rules Committee 2 days ago.

It seems to me, as pointed out very succinctly on page 3 of the committee report, that the effects of Public Law 90–364 which we enacted last year were so absolutely disastrous as far as the Treasury Department is concerned that we certainly did not want to let this appropriation bill go before the House without making sure that the provisions of that law were repealed so far as they affect this Department, and that would not be done without adopting the kind of rule we suggest the House adopt today.

Mr. Speaker, in addition to supporting, as I do, the rule, I want to take just a moment—and it shall not be longer than that—to indicate my wholehearted support of the proposals embraced in the message which the House received earlier today from the President of the United States. I could not comment at that time.

Of course, in the message the President called for a drastic reform of the postal system, the system for which appropriations are called for in the bill which I hope will be shortly under consideration.

It was an English statesman, Benjamin Disraeli, who said almost 100 years ago that without efficiency there cannot be economy, and the basic reason for the reforms called for in the President's message are to bring true efficiency to the postal department.

That message points out that some $8 billion had been taken from the Treasury to shore up the Post Office Department during the last decade, and over the next decade more than double that sum will be necessary unless we do something drastic to reorganize the postal service. While it is true that the remedy called for here is an exceptional one, I think these are exceptional times.

If we see a breakdown in the Post Office Department and in the postal service, people will turn to the Congress to ask, "Why did you not do something when you still had time?"

As I read this message, and as I listened to the gentleman from Oklahoma (Mr. STEED) before the Rules Committee 2 days ago, when he told us that the Post Office Department could come back to this Congress for the next 10 or 15 years and they would not be able to get the appropriations they need to provide new capital facilities, or to provide working conditions that will enable us to recruit the kind of efficient postal force we need, it seemed to me he made a powerful case indeed for the adoption of the remedy called for in the President's message.

This is not a partisan matter. The last President of the United States, Lyndon Johnson, made such a recommendation in his last state of the Union message. The former Postmaster General—not the one who preceded Mr. Blount, but the one even before him—namely, Mr. O'Brien—is supporting the principal recommendations of this message.

So I take this time, and I beg the indulgence of the Members of the House, and apologize to them for taking time this late in the afternoon, to say I think this is one of the most important messages that will come before this Congress in this session of the 91st Congress. I hope, rather than falling on deaf ears and rather than evoking some of the comments I have read recently, such as "Well, this is a good idea but we have to wait 3 or 4 years before it happens," that we can sense the emergency facing us and take the kind of positive, forthright action called for in the message of the President.

Now I yield to the gentleman from Iowa (Mr. GROSS).

Mr. GROSS. I wonder where the gentleman suggests that the enormous amounts of money he says are needed by the Post Office Department will come from unless through Congress?

Mr. ANDERSON of Illinois. Under the provisions of the U.S. Postal Service Corporation, as I understand the message, they would be given borrowing authority up to $10 billion. The first $2 billion of that money would be supported by the full faith and credit clause of the U.S. Government. It would be borrowing authority. They would go out and sell bonds or issue debentures and use the revenues of the postal service to amortize those bonds or debentures.

Mr. GROSS. Would it make any difference whether the Treasury Department borrowed the money?

Mr. ANDERSON of Illinois. To this extent: I heard the Postmaster General say—and incidentally I think we are very fortunate to have a man as courageous and forthright as he is—that the basic trouble with the Department is that they have the power to administer but not really the power to manage. He cannot manage the Department and he never will be able to as long as we fix wage rates and postal rates. We will not get the kind of efficiency which will bring true economy, which in turn will enable this Department to operate as a service should on a businesslike basis.

Mr. GROSS. Will the gentleman yield further?

Mr. ANDERSON of Illinois. Yes.

Mr. GROSS. I wonder if the gentleman can tell me today—and apparently he has been briefed on this subject of a corporation in the Post Office Department although I have not, nor have I seen a bill—what assets the Corporation would take over and what liabilities they will leave behind? Does the gentleman have any idea about that?

Mr. ANDERSON of Illinois. If the gentleman will permit me to respond, I will say it is my understanding that the U.S. Postal Service Corporation will take over all of the existing assets of the Post Office Department at the present time, that is, all of the buildings and grounds which are now a part of the assets of that Department would become assets on the books of the Postal Service Corporation.

Mr. GROSS. And they will take over the $15 billion of liability in the retirement fund?

Mr. ANDERSON of Illinois. I do not believe in the message and in the briefing I have had that we had a thorough explanation as to whether or not they would assume all of those liabilities. I suggest the gentleman has a very good point.

It might be necessary to work out some special provisions with respect to that retirement fund.

Mr. GROSS. I will tell the gentleman that I looked in vain in the message that came down here today for some reference to this. I thought surely there would be a mention as to what was proposed to be done by the Corporation. Is this some kind of a nebulous proposition that nobody is supposed to know anything about at this point?

Mr. ANDERSON of Illinois. I am sorry that the gentleman does not feel he has been adequately briefed on the subject as to the intention of the administration, but I feel at least, as I read it and interpret it, it is a pretty explicit description of the plans they have for a thoroughgoing reorganization.

Mr. GROSS. Now, if the gentleman will yield, on the subject of the rule on this bill?

Mr. ANDERSON of Illinois. Yes.

Mr. GROSS. And on the subject matter that it makes in order. I take it that through this waiver and adoption of section 502, Congress will have repudiated, for all practical purposes, the solemn agreement it made with the public as to the reduction of 240,000 employees in the Federal Government, the agreement that was made a part of the package deal, including the 10-percent surtax and the $6 billion spending cut.

Mr. ANDERSON of Illinois. I do not think I would use the language that the gentleman used to call it a total repudiation of a promise. What it does is it says for the balance of this fiscal year we will, with respect to the departments named in this bill, waive the provisions of Public Law 90–264.

Mr. GROSS. Does the gentleman think in this agency or department or any other agency or department that once they are permitted to restore employees they will go back next year and cut again?

Mr. ANDERSON of Illinois. It is very difficult, of course, to foresee what would be produced in that regard in the next year or the years to come. I do merely go back to what was pointed out by the gentleman from Florida (Mr. PEPPER). If we want to give the Internal Revenue Service the personnel that they need to enforce the tax laws, if we want to make sure that this country is not going to be flooded with narcotics, and that the Bureau of Customs have the people with which to control these operations, we have got to waive the point of order with respect to that situation and give them the authority to go out and hire the personnel that they need.

Mr. GROSS. The gentleman from Missouri alluded earlier to the computer system that has been set up at a cost of millions upon millions of dollars, and was supposed to have obviated the necessity for all this employment in the Treasury Department and Internal Revenue Service. What has happened as a result of all of the expenditures that were made at Martinsburg, W. Va.?

Mr. ANDERSON of Illinois. Mr. Speaker, I yield to the gentleman from Massachusetts for the purpose of answering that question.

Mr. CONTE. The gentleman from Iowa is absolutely right. But what happens is this: Once you get that computer system in and operating, which it is at the present time, and once you get your data processing system in and operating, which we have at the present time, in the sectional centers throughout the United States, then this information comes forth that there are delinquent accounts, there are accounts that you have to go after and audit. With this restriction—and I might point out that Senator WILLIAMS who is the author of this restriction just recently on the floor of the other body complained about the Internal Revenue Service having an increase in the number of delinquent accounts. The reason why they have an increase in delinquent accounts is because of a shortage of personnel. This language here merely applies to the Treasury Department and the other agencies related thereto. The Post Office Department was excluded and exempted last year. We lost $30 million in collections in customs alone. If this thing is not repealed, this manpower restriction is not repealed, in the Internal Revenue Service we will lose $1 billion over a 3-year period of time.

Mr. GROSS. Mr. Speaker, will the gentleman from Illinois yield further so that I may ask the gentleman from Massachusetts a question?

Mr. ANDERSON of Illinois. I yield further to the gentleman from Iowa.

Mr. GROSS. Was any of this foreseen when the package deal was offered to Congress? Was this not foreseen then?

Mr. CONTE. Yes.

Mr. GROSS. And if so, why, then, did Congress cut it?

Mr. CONTE. That is a legitimate question that the gentleman from Iowa brings up. The gentleman from Oklahoma and myself fought this thing on the floor of the House.

Another point that I want to make, and it is a very important point, is this: We are dealing here with a very sensitive situation. We have just passed the agricultural bill. In the Department of Agriculture, I believe, we have more employees than farmers in the United States. But we are dealing here with a very delicate situation and with a very delicate agency. These agencies are all of the revenue-producing agencies in the Federal Government with which we are dealing today, a very sensitive group of agencies, and if you cut down on employees, you cut down on revenues. It is just that simple.

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

Mr. ANDERSON of Illinois. I yield to the gentleman from Missouri.

Mr. HALL. I understand the gentleman's opening statement is predicated upon the hearings before the Committee on Rules and on which committee he represents the minority today in the presentation of House Resolution 424. For one who has not been so briefed and one who has done his homework, I am sure it is general knowledge, as stated on page 2 of the committee report of this bill, that these appropriations can be considered if this rule does make such consideration in order, but does not include amounts required for the third step of the Federal pay raise which is expected to become effective July 1, 1969, pursuant to the Postal Revenue and Federal Salary Act of 1967. Nor does it include the automatic military services pay increase. By what logic can we add personnel, be they collectors of revenue or whatsoever, and I do not agree that all of these agencies are money earners for the Treasury, certainly, not the Post Office Department, which we look upon as a service department. But, be that as it may, how can we add more personnel when we do not include in this the money for the personnel in the third phase of the pay increase act? In other words, does not this guarantee a supplemental or deficiency appropriation request for 1970?

Mr. ANDERSON of Illinois. Again, I believe I would have to respond in the same vein that I did earlier to the gentleman from Iowa. It is very difficult to try to assume the role of a prophet, and to know whether or not we are going to have to come in some months from now and ask for a supplemental appropriation. I would have to leave that to the members of the Committee on Post Office and Civil Service or, rather, to the Appropriation Subcommittee that is presenting this bill on the floor today, perhaps, to enlighten us as to whether or not that is going to be necessary. But I would repeat that it seems to me that they made a perfectly adequate case before our committee to support their request for a waiver of points of order on this bill with respect to this section.

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

Mr. ANDERSON of Illinois. I yield to the gentleman from Massachusetts.

Mr. CONTE. Mr. Speaker, again let us not clutter up the record. The Post Office was exempted from the Manpower Restriction Act. We are not putting in something that was not there before. The Post Office was exempted. This is merely to exempt the Treasury Department.

Mr. ANDERSON of Illinois. The gentleman is correct.

Mr. Speaker, I have no further requests for time.

Mr. PEPPER. Mr. Speaker, I have no further requests for time.

Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore (Mr. HOLIFIELD). The question is on the resolution.

The question was taken, and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. HALL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 345, nays 12, not voting 75, as follows:

[Roll No. 66]

YEAS—345

Abbitt	Fish	Mathias
Abernethy	Fisher	Matsunaga
Adair	Flood	May
Adams	Flowers	Mayne
Addabbo	Flynt	Meeds
Albert	Foley	Meskill
Alexander	Ford, Gerald R.	Mikva
Anderson, Ill.	Ford, William D.	Miller, Calif.
Anderson, Tenn.	Fountain	Miller, Ohio
Andrews, Ala.	Fraser	Mills
Andrews, N. Dak.	Frelinghuysen	Minish
Annunzio	Frey	Mink
Arends	Friedel	Minshall
Aspinall	Fulton, Pa.	Mizell
Ayres	Fulton, Tenn.	Mollohan
Baring	Fuqua	Monagan
Barrett	Galifianakis	Montgomery
Beall, Md.	Gallagher	Moorhead
Belcher	Garmatz	Morgan
Bennett	Gaydos	Morse
Betts	Giaimo	Mosher
Bevill	Gilbert	Moss
Biaggi	Gonzalez	Murphy, Ill.
Biester	Goodling	Murphy, N.Y.
Blackburn	Gray	Natcher
Blanton	Green, Oreg.	Nedzi
Boggs	Green, Pa.	Nelsen
Boland	Griffin	Nichols
Bolling	Griffiths	Nix
Bow	Grover	Obey
Brademas	Gubser	O'Hara
Brasco	Hagan	O'Konski
Bray	Haley	Olsen
Brinkley	Halpern	O'Neal, Ga.
Brock	Hamilton	O'Neill, Mass.
Brooks	Hammer-schmidt	Ottinger
Broomfield	Hanley	Passman
Brotzman	Hanna	Patman
Brown, Mich.	Hansen, Idaho	Patten
Brown, Ohio	Hansen, Wash.	Pelly
Broyhill, Va.	Harsha	Pepper
Buchanan	Harvey	Perkins
Burke, Fla.	Hastings	Pettis
Burke, Mass.	Hathaway	Philbin
Burlison, Mo.	Hays	Pickle
Burton, Utah	Hechler, W. Va.	Pike
Bush	Heckler, Mass.	Pirnie
Button	Henderson	Poage
Byrne, Pa.	Hicks	Podell
Byrnes, Wis.	Hogan	Poff
Cabell	Holifield	Preyer, N.C.
Caffery	Horton	Price, Ill.
Camp	Hosmer	Price, Tex.
Casey	Howard	Pryor, Ark.
Chamberlain	Hull	Pucinski
Chappell	Hungate	Purcell
Clancy	Hutchinson	Quie
Clark	Jacobs	Quillen
Clausen, Don H.	Jarman	Railsback
Clay	Joelson	Rarick
Cleveland	Johnson, Calif.	Reid, Ill.
Cohelan	Johnson, Pa.	Reid, N.Y.
Collier	Jones, Ala.	Reuss
Collins	Jones, N.C.	Rhodes
Conable	Jones, Tenn.	Riegle
Conte	Karth	Roberts
Coughlin	Kastenmeier	Robison
Cramer	Kazen	Rodino
Culver	Kee	Rogers, Colo.
Cunningham	Keith	Rogers, Fla.
Daddario	King	Ronan
Daniel, Va.	Kleppe	Rooney, N.Y.
Daniels, N.J.	Kluczynski	Rooney, Pa.
Davis, Ga.	Koch	Rosenthal
Davis, Wis.	Kyros	Rostenkowski
Dawson	Langen	Roth
Delaney	Leggett	Ruppe
Dellenback	Lennon	Ryan
Denney	Lipscomb	St Germain
Dennis	Lloyd	St. Onge
Dent	Long, La.	Satterfield
Devine	Long, Md.	Saylor
Diggs	Lowenstein	Schadeberg
Dingell	Lujan	Schneebeli
Donohue	Lukens	Schwengel
Dorn	McCarthy	Scott
Dowdy	McClory	Sebelius
Downing	McCloskey	Shipley
Duncan	McCulloch	Shriver
Eckhardt	McDade	Sikes
Edmondson	McDonald, Mich.	Sisk
Edwards, Ala.	McEwen	Slack
Edwards, Calif.	McFall	Smith, Calif.
Eilberg	McKneally	Smith, Iowa
Erlenborn	McMillan	Smith, N.Y.
Eshleman	MacGregor	Springer
Evans, Colo.	Madden	Stafford
Fallon	Mahon	Staggers
Farbstein	Mailliard	Stanton
Fascell	Mann	Steed
Findley	Marsh	Steiger, Wis.
		Stokes
		Stuckey
Sullivan	Waggonner	Winn
Symington	Waldie	Wolff
Talcott	Wampler	Wright
Taylor	Watkins	Wyatt
Teague, Calif.	Watts	Wydler
Teague, Tex.	Weicker	Wylie
Thompson, N.J.	Whalen	Wyman
Tiernan	Whalley	Yates
Udall	White	Yatron
Ullman	Whitehurst	Zablocki
Utt	Widnall	Zion
Van Deerlin	Williams	Zwach
Vanik	Wilson, Charles H.	
Vigorito		

NAYS—12

Ashbrook	Ichord	Myers
Derwinski	Jonas	Skubitz
Gross	Landgrebe	Snyder
Hall	Michel	Watson

NOT VOTING—75

Anderson, Calif.	Dulski	Pollock
Ashley	Dwyer	Powell
Bates	Edwards, La.	Randall
Bell, Calif.	Esch	Rees
Berry	Evins, Tenn.	Reifel
Bingham	Feighan	Rivers
Blatnik	Foreman	Roudebush
Brown, Calif.	Gettys	Roybal
Broyhill, N.C.	Gibbons	Sandman
Burleson, Tex.	Goldwater	Scherle
Burton, Calif.	Gude	Scheuer
Cahill	Hawkins	Steiger, Ariz.
Carey	Hébert	Stephens
Carter	Helstoski	Stratton
Cederberg	Hunt	Stubblefield
Celler	Kirwan	Taft
Chisholm	Kuykendall	Thompson, Ga.
Clawson, Del	Kyl	Thomson, Wis.
Colmer	Landrum	Tunney
Conyers	Latta	Vander Jagt
Corbett	McClure	Whitten
Corman	Macdonald, Mass.	Wiggins
Cowger	Martin	Wilson, Bob
de la Garza	Mize	Wold
Dickinson	Morton	Young

So the resolution was agreed to.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Bob Wilson.
Mr. Burleson of Texas with Mr. Latta.
Mr. Kirwan with Mr. Corbett.
Mr. Macdonald of Massachusetts with Mr. Morton.
Mr. Celler with Mr. Cahill.
Mr. Evins of Tennessee with Mr. Pollock.
Mr. Rivers with Mr. Bates.
Mr. Gettys with Mr. Taft.
Mr. Young with Mr. Martin.
Mr. Tunney with Mr. Cederberg.
Mr. Blatnik with Mr. Gude.
Mr. Burton of California with Mr. Wiggins.
Mr. Whitten with Mr. Berry.
Mr. Anderson of California with Mr. Goldwater.
Mr. Corman with Mr. Del Clawson.
Mr. Edwards of Louisiana with Mr. McClure.
Mr. Gibbons with Mr. Kyl.
Mr. Hawkins with Mr. Bell.
Mr. Stratton with Mrs. Dwyer.
Mr. Stephens with Mr. Foreman.
Mr. Feighan with Mr. Hunt.
Mr. Dulski with Mr. Roudebush.
Mr. Carey with Mr. Mize.
Mr. Landrum with Mr. Broyhill.
Mr. Brown of California with Mr. Thompson of Georgia.
Mr. Ashley with Mr. Esch.
Mr. Randall with Mr. Carter.
Mr. Colmer with Mr. Dickinson.
Mr. Roybal with Mr. Scherle.
Mr. Stubblefield with Mr. Cowger.
Mr. Helstoski with Mr. Wold.
Mr. Bingham with Mr. Sandman.
Mr. de la Garza with Mr. Kuykendall.
Mr. Conyers with Mr. Powell.
Mr. Rees with Mr. Reifel.
Mr. Scheuer with Mr. Steiger of Arizona.
Mr. Thomson of Wisconsin with Mr. Vander Jagt.

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

Mr. STEED. 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. 11582) making appropriations for the Treasury and Post Office Departments, the Executive Office of the President, and certain independent agencies, for the fiscal year ending June 30, 1970, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate continue not to exceed 2 hours, the time to be equally divided and controlled by the gentleman from Massachusetts (Mr. CONTE) and myself.

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

Mr. GROSS. Mr. Speaker, reserving the right to object, does the gentleman think that a bill of this magnitude can be properly discussed in 2 hours? There was 3 hours of general debate on the agricultural appropriation bill calling for the spending of less money.

Mr. STEED. Mr. Speaker, if the gentleman will yield, I do not have any doubt whatsoever but what I can do an adequate job of discussing the bill from my standpoint at this time.

Mr. GROSS. In 2 hours?

Mr. STEED. In 2 hours. Then, of course, we have the 5-minute rule.

Mr. GROSS. Well, is there some reason for this? It is early in the evening. Is there some reason why we should not take more time than that during which to discuss this bill?

Mr. STEED. The only reason I can give the gentleman from Iowa is that the subcommittee, in conferring with me and after discussing it, felt that 2 hours was sufficient time. So that is why we have asked for 2 hours of general debate.

Mr. GROSS. I have been able to read the bill and the report, and I cannot find a single reduction in spending. It seems to me that every item contained in the bill is increased over the expenditures for the same general purposes of last year.

It seems to me that it is going to take some time to explain to the House why every item in this bill is increased over the level of last year.

Mr. STEED. There is a very simple explanation as to why these items are increased.

Mr. GROSS. Do not simplify it too much.

Mr. STEED. And if the gentleman is unable to understand why, it is because there have been increases in the workload, capital improvements, and personnel, making it necessary for these expenditures to carry out the necessary and mandatory functions of the Government by these agencies. I believe that 2 hours is sufficient to discuss the key matters, or any pertinent matters that anyone would want to explain about the bill, and we will do our best to make it clear.

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

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Oklahoma (Mr. STEED).

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. 11582, with Mr. DENT 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 unanimous-consent agreement, the gentleman from Oklahoma (Mr. STEED) will be recognized for 1 hour, and the gentleman from Massachusetts (Mr. CONTE) will be recognized for 1 hour.

The Chair recognizes the gentleman from Oklahoma.

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

Mr. Chairman, in presenting this appropriation bill to the House today, I believe that we have brought a good, tight bill, one that we can recommend wholeheartedly, and one that I believe will suffice to provide the resources these very important agencies of our Government must have during the forthcoming fiscal year to carry out their very important missions.

In general, we are talking here about the Post Office, Treasury, and Executive Office of the President which requested $8,821,727,000 in the Nixon revised budget, of which the committee recommends $8,779,345,000.

When the receipts of the Post Office Department are applied as a deduction against the costs of the Department we find that we are here in total asking for about $402,000,000 more to fund these agencies in fiscal year 1970 than they were given during fiscal year 1969.

All of this increase can be easily accounted for under three items: First, workload increase; second, capital improvements; and, third, personnel to help in the organized crime task force program that the President is trying to place into operation.

Mr. Chairman, in trying to give a broad picture of what this extra cost and work load increase has placed on these departments, they ask for an additional 18,414 employees to carry out their work next year.

The committee has allowed 17,805 of these.

All except 4,501 in the Treasury Department and 90 in the Exeuctive and independent offices section are for needed personnel in the Post Office Department.

The Post Office Department has an impact that cause this need for personnel to increase from two different sources—one when the mail volume increases, they need extra people to process the mail. With an anticipated 3-percent increase in the mail volume predicted for next year, it means the Department will have 2 or 3 billion pieces of mail above the 84 billion pieces of mail that they have to process this year. This will requre extra people.

In addition to the 67,500,000 homes, offices, and stores that the Post Office Department is delivering mail to today, it is estimated that at least 1 million additional addresses will be in being by this time next year and, therefore, it increases the need for mail carriers to carry the mail to these new places of business and homes.

So these two things are what is required to meet the need for additional personnel. Your committee feels the 13,000-plus jobs allowed here for the Post Office Department are not only justified but are going to be needed if they are going to maintain the mail service next year that the public wants and deserves.

In the Treasury Department the 4,501 jobs that we have allowed include 2,400 jobs that they lost due to the economy act last year and the additional jobs that they need for the extra workload in the coming year. The workload in these departments is measured easily.

In the Bureau of Internal Revenue, for instance, they are having to process more than 2 million more tax returns this year than they did last year, and the number is expected to increase substantially next year. It takes a lot of additional personnel to process this kind of increase in income tax returns and due to the complexity of many returns now, it requires highly trained personnel.

They have a very dangerous increase in delinquent accounts, and they have fallen to an alarmingly low level on the returns that they are able to audit. If something is not done to tighten this up and keep the collection of taxes in better order, we can expect in the next year or two to find a general lessening of the public zeal to comply with our tax laws.

It might be interesting for the Members to know that if there is a 1-percent drop in voluntary compliance it would cost the Federal Government $1,700,000,000.

In the Bureau of Customs they have some very severe manpower needs. Since 1960 the Bureau of Customs has had a 65-percent increase in its workload and only a 4-percent increase in manpower. They are unable to process adequately the people coming through customs. They project a fantastic increase of people to go through customs during the coming year. They are anticipating a total of 238 million people to go through customs next year. They expect an increase of over 2 million vehicles crossing our borders.

They have had the heaviest impact of smuggling of narcotic drugs across the border in all of our history.

Every single function that they have to perform is putting great pressure on them and they need more and more people.

In the Secret Service they have had a lot of very new activities imposed upon them at a time when counterfeiting and forgeries are at an alltime high and the need for manpower is greater than it has ever been.

You can go through the whole thing. In the Bureau of Accounts where they write Government checks and bonds—some 472 million pieces this year—they have already reduced their manpower for the year to a point where they do not have any more of a margin to operate if they are not given the employees. We could very well during the coming year find the checks for social security and veterans' pensions and that sort of thing running 30, 60, and 90 days behind.

If those who are interested will read our hearings, they will see that we have tried our best to get information which goes into all the details of the workload impacts. I think they are very important for the Members to know and understand. There is a request in this bill for 900 new personnel which comes under the heading of agents of the Internal Revenue, the Secret Service, and the Bureau of Customs that are being assigned on order of the President to the organized crime task forces under the general guidance of the Department of Justice.

These experts in forgery, counterfeiting, narcotics, smuggling, and tax evasion are going to be a very vital part of the task force teams. I think this assignment of manpower is a very important element in our efforts to get something in motion that will begin to curb this kind of crime in the Nation.

Earlier there was some reference to what happened when we bought all of these computers. Mr. Chairman, I think it is a good question. Since the Department of the Treasury began to computerize, they have invested what is estimated to be about $150 million in this type of equipment. As a result, they are now able to produce work on a per-man basis or a unit basis at a level which, if done under the old system before they were computerized, would require 16,000 additional people to do the work than are now employed. They save $150 million on manpower alone by the use of computers every 30 months, and these machines have a life expectancy of 15 years. So we think the computers in the Treasury Department, at least, certainly are paying off.

There is another item that I think ought to be attended to in connection with the Post Office Department. Several years ago, somewhat against the wishes of this subcommittee, Congress saw fit to begin to pass laws authorizing what we call public service charges to the Post Office Department. I believe the first year they amounted to only about $37.5 million. This year they are now a total of $707 million. I think this is a serious out-of-proportion growth in this field. And even after taking that much out we are still faced with a deficit between postal receipts and total postal costs of about $500 million, in addition to the $707 million we write off as public services to be paid by all the taxpayers.

The gentleman from New York (Mr. ROBISON) was very kind and helpful to us this year. He did a special study on this subject. During the hearings he went into this matter in great detail. I urge and recommend that all Members of the House take time to read at least this part of our hearings, because I think in here is contained information that will be most helpful to all of you from time to time as different types of decisions which might add to this title will come before you. I think if you need to understand, and if you read the remarks, questions and the comments that Mr. ROBISON generated during our hearings,

you will find it very enlightening and helpful. I urge you to do so.

We have tried to make this as tight a bill as we can, with the workloads that add on the need for manpower that are easy to measure. These are the oldest agencies of the Government. There is no guesswork about it. We have the need for this additional manpower to combat organized crime, and we have added here a considerable additional amount of money for capital investment, the largest item of which is $120 million more in the bill this year than we had last year for postal public buildings, an area in which there is a grave need, for many, many times this amount for investment in postal facilities.

When we think of these three items, together with the impact they have made, we should consider this as only $402 million for the cost of all these departments in the coming year over what was necessary to run them this year. When we look at these total costs, really, we will find that had there not been additional efficiencies and improvements made, the request for this $402 million additional amount would approach approximately more than $600 million. The agencies have been able to absorb the increasing costs by better management techniques, which is a very commendable thing.

There are no moneys in this bill for the pay raises due July 1, because at the time the budget came out and the bill was marked up, no one had any idea what the amounts involved would be. I think it is fair to the administration to point out that in the total estimate there is included $2,800 million for the supplemental pay raises which everybody is sure will have to be taken up during 1970. While the amounts are not in this appropriation bill, they are included in the overall budget figures of the administration.

The figures I have been referring to are the revised Nixon budget and, of course, the result of the work of the committee itself. This is somewhat lower than the so-called Johnson budget we had.

While this bill is only for $42 million less than the revised Nixon budget asked for, we will have to remember it became more and more difficult for the committee to make reductions because, before we did that, the administration voluntarily reduced this whole bill by approximately $55 million. So compared with the original Johnson budget, we are talking about reductions of approximately $100 million. This is about in line with what we have been able to shave off these activities in prior years.

The reductions are real savings. Nothing in here is made for the benefit of headlines or the looks of things. These are actual and factual savings. Because we have a sound bill and because we have this exemption from this very unfortunate manpower ceiling that is crippling the agencies, I can in all good faith recommend this bill to my colleagues and recommend it as worthy of their support.

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

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

Mr. MADDEN. Mr. Chairman, I commend the gentleman from Oklahoma for the outstanding job, work, and the time he has put into preparing this legislation pertaining to the Post Office Department.

I was home last week, and I attended a meeting of the several postmasters of that area. They complained about a number of things. Their major complaint is they have no trouble with any mail deposited in their post offices which is sent through New York or Los Angeles or New Orleans, and they mentioned several other places. They said in about 200 of the cities mail can be delivered the next morning, with the exception of Washington, D.C., Post Office. They all complained there seemed to be difficulty with mail either delivered into Washington or postal material sent out from Washington.

I wonder if the gentleman from Oklahoma can inform us as to whether he has received any testimony in his committee pertaining to the efficiency of the Washington, D.C., Post Office service.

Mr. STEED. There is a lot of merit in what the gentleman says. The best information I have been able to get on that is that the postal wages are not competitive generally with wages in this area. As a result, the post office has found it virtually impossible to keep staffed. They have between 2,700 and 3,000 vacancies in the post office in the Washington area because they have not been able to keep staffed. Until they can become competitive in the labor market and get the kind of talent they must have to move mail, I think we will continue to have some problem in trying to improve the efficiency in the Washington area in the postal service.

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

Mr. STEED. I yield to the gentleman from Connecticut.

Mr. MONAGAN. Mr. Chairman, first of all, I want to compliment the chairman and the subcommittee on making an increase available for the Commission on Obscenity and Pornography.

There is no question but that this is a vitally important field, and one which will bear the greatest attention on the part of the Government.

There is an increase, I take it, of $352 million for the operation of the Post Office Department generally?

Mr. STEED. I believe that is the correct figure.

Mr. MONAGAN. I am sure that all of us are aware of the great deterioration of service which has taken place. I have with me here a record of an attempt to get an airmail special delivery letter to Connecticut for the father of a wounded GI, which took 2 days.

I realize the gentleman's subcommittee is not concerned with the management of the Post Office Department as such, but I should like to ask if he feels that there will be some guarantee of improved service as a result of this increased appropriation?

Mr. STEED. Well, perhaps not so much in terms of improving it, but it might keep it from getting any worse.

Here is our basic problem, and it is very serious. We have 72 percent of our mail volume concentrated in 300 large cities of the country. The other 28 percent is scattered out among 32,000 post offices.

The CHAIRMAN. The time yielded by the gentleman from Oklahoma has again expired.

Mr. STEED. Mr. Chairman, I yield myself 1 additional minute.

Since we have this concentration in the 300 large cities we do not have the efficient and well-equipped workshops we need. This is why until we are able to make a capital outlay of at least $2.5 billion or more to get these large cities economical workshops some of this postal problem cannot be solved. This is where we believe the most serious problem is in the postal service.

We have buildings which are 40 to 80 years old in some of these large cities, handling four or five times the volume they were built to handle. This is uneconomical. We can identify $4.1 million of unnecessary cost in the New York Post Office alone. We can charge off this to a lack of adequate and efficient work space.

Mr. MONAGAN. In other words, substantial capital investment would take care of a great deal of this problem?

Mr. STEED. We believe in these 300 large cities with modern facilities we could reduce expenses $400 million or $500 million.

Mr. MONAGAN. Mr. Chairman, It is hard to believe that in this era of lunar probes an urgent mailing to the father of a seriously wounded GI gathered dust in the Washington postal labyrinth for 18 hours before starting the first leg toward its destination in Connecticut.

This sort of experience brings home the truth of the adage that a chain is only as strong as its weakest link. Tragically, the postal service of the world's greatest Nation which reached noteworthy heights of achievement in days gone by, is a shambles of delays, obsolescence, and deterioration in days of jet planes, metroliners, and turbotrains, and capsules which orbit the moon.

The father of the wounded GI had requested my assistance in the completion of plans to fly to Tokyo on Thursday, May 22. On Tuesday, May 20, I sought the advice of postal workers in the Rayburn House Office Building Post Office for the safest and fastest handling of a small package containing the father's passport, visa, and other papers essential to his trip. I was advised that the package should be registered and sent "airmail, special delivery" and I was also assured that if it were posted in the Longworth Building Post Office it would "go out" at 1 p.m. The package was mailed in compliance with these instructions at 12:50 p.m., Tuesday, May 20. It remained in the Longworth Post Office until 5 p.m., when it was dispatched to the Washington City Post Office, arrving there at 8:10 p.m., and remaining there until 10 p.m. when it went to National Airport.

On May 21, the GI's father and the Waterbury, Conn., Post Office, having been alerted that the package was en route, became alarmed when no incoming consignment included the passport and visa. Actually the packet remained in Washington from 12:50 p.m. until 10

p.m., and it had moved only to National Airport by 7 a.m. on Wednesday, May 21, 1969.

The handling of this properly addressed, properly stamped emergency shipment underlines the ineptness and inefficiency of our postal service and makes it clear that it is high time to assess and correct these deficiencies.

How can the Post Office Department defend a system which moves a registered, airmail, special delivery emergency package away miles during a period of 18 hours after mailing.

But let us look at the rest of the odyssey.

The emergency package was finally dispatched from National Airport, Arlington, Va., aboard Allegheny Airlines, Flight 805. The flight left National Airport, May 21 at 7 a.m. and arrived at Bradley Field, Windsor Locks, Conn. at 8:45 a.m., May 21, 1969. Meantime, the GI's father, the Waterbury Post Office, and my offices in Washington and Waterbury coordinated a continuing telephone campaign to follow the hegira of the slowmoving package. Consider a package which arrives "airmail special delivery" and "registered" at Bradley Field Wednesday morning, May 21, 1969, at 8:45 a.m. and then completely drops out of sight until arrival at the Waterbury Post Office at 3:30 a.m. Thursday morning, May 22, which incidentally was the day of the combat wounded GI's father's departure from Tokyo. The Waterbury Post Office finally sped the packet to its destination by special messenger.

I am asking the Postmaster General to make a full study of this complaint and to initiate remedies; but I have followed this same procedure in many previous instances and in previous administrations and I am convinced that words of protest will have little effect. The officials seeking to administer the Department are enmeshed in a system which defies improvement. The way to achieve adequate and efficient mail service is to keep up the pressure to set up an effective system and put the heat on those individuals who do not do their job effectively within the system. I am sure that most of my colleagues have had similar experiences with the Post Office Department. I am sure that many of them will agree that steps such as I have prescribed are appropriate. The alternative of course is to rattle along with our present unsatisfactory service. I hope that Congress will have the courage to do something about it besides talk.

The Post Office Department appropriation for fiscal year 1970 is scheduled for action by the House today. The bill calls for $7,676,035,000. It would be senseless, I suppose, to vote against the entire appropriation at this time to emphasize my protest, but I am seriously tempted to take such action. One begins to wonder what the people of this country are getting for the spending of this vast sum of money.

The CHAIRMAN. The time yielded by the gentleman from Oklahoma has again expired.

Mr. STEED. Mr. Chairman, I yield myself 1 additional minute.

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

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

Mr. PUCINSKI. I notice the committee has recommended $1.1 million for the Commission on Obscenity and Pornography. Last year they had $643,000.

Could the gentleman briefly tell us what the Commission is doing and what progress it is making?

Mr. STEED. Mostly they are studying the Supreme Court decisions and trying to bring in a number of different points of view to see if they can propose language to Congress which will meet some of this problem and still be within the purview of what the Court has said in its opinions.

Mr. PUCINSKI. Does the gentleman believe they will be able to make progress?

Mr. STEED. I think in the area of protecting children they can do a lot. We feel hopeful as to some of the results they will get.

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

Mr. STEED. I yield to my colleague from Oklahoma.

Mr. EDMONDSON. I want to compliment my colleague for his masterful handling of a very complex bill and for the long hours I know he has put into its preparation, as well as for the splendid presentation he has made on the floor. I am certainly proud he is from the Oklahoma delegation.

The CHAIRMAN. The time yielded by the gentleman from Oklahoma has again expired.

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

The CHAIRMAN. The Chair will count.

Fifty-seven Members are present, not a quorum. The Clerk will call the roll.

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

[Roll No. 67]

Adair	Fallon	O'Hara
Albert	Foreman	Ottinger
Anderson, Calif.	Gaydos	Patman
	Gettys	Pettis
Anderson, Tenn.	Gibbons	Pollock
	Gilbert	Powell
Ashley	Goldwater	Preyer, N.C.
Baring	Gray	Randall
Bates	Griffiths	Rees
Bell, Calif.	Gude	Reifel
Berry	Hanna	Rivers
Bingham	Hawkins	Rosenthal
Blatnik	Hébert	Roudebush
Brown, Calif.	Helstoski	Roybal
Broyhill, N.C.	Horton	Sandman
Burleson, Tex.	Howard	Satterfield
Burton, Calif.	Hungate	Scherle
Cahill	Hunt	Scheuer
Carey	Jarman	Springer
Carter	Jones, Ala.	Stephens
Cederberg	Kirwan	Stratton
Celler	Kuykendall	Stubblefield
Chisholm	Kyl	Thompson, Ga.
Clark	Landrum	Thomson, Wis.
Clawson, Del	Latta	Tiernan
Clay	Lipscomb	Tunney
Colmer	Long, Md.	Ullman
Conyers	McClure	Vander Jagt
Corbett	McDonald, Mich.	Wampler
Corman		Watson
Cowger	McEwen	Weicker
de la Garza	Macdonald, Mass.	Whitten
Dickinson		Wiggins
Diggs	Martin	Wilson, Bob
Dingell	Mikva	Wilson, Charles H.
Dulski	Mize	
Dwyer	Mollohan	Wold
Edwards, La.	Morse	Wyman
Esch	Morton	Young
Evins, Tenn.	Murphy, N.Y.	

Accordingly the Committee rose; and the Speaker pro tempore (Mr. MILLS) having assumed the chair, Mr. DENT, Chairman of the Committee on the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H.R. 11582, and finding itself without a quorum, he had directed the roll to be called, when 319 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. The gentleman from Oklahoma consumed 19 minutes. The Chair now recognizes the gentleman from Massachusetts (Mr. CONTE).

Mr. CONTE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would like to take this opportunity as the ranking minority member of the Treasury-Post Office Subcommittee to add my thoughts on the appropriation bill that is before you and that our chairman, the gentleman from Oklahoma, has just discussed.

Last year at this time I noted that we were in deeply troubled times. I think the same is even more true today. Indeed, I find myself looking back to the dark days of World War II for a similar feeling of frustration.

The causes of current unrest and disillusion are many. Foremost among these is probably the tragic war in Vietnam. This war has permeated our lives in more ways than we would readily acknowledge. I am hopeful, in view of the President's latest statement, that it can finally be brought to an end.

I am also hopeful that the resulting "peace dividend" will be spent wisely. I am convinced that a thorough examination of existing budget priorities is essential if our people are to remain united and our domestic problems are ever to be solved.

In spite of material abundance all around us, our financial situation is not good. Inflation continues to eat up earnings and an imbalance of payments threatens the dollar. The administration has acted with firmness in this area. I look forward to seeing the economy brought under control soon as a result of this action.

Our problems will not be solved by wishing them away. We must face up to them and recognize that their solution depends upon our dedication to solving them. Nothing less than total commitment on the part of all of us is required.

We on the Appropriations Committee, as well as all the Members of this body, have our work cut out for us. We are once again faced with that perennial question of how to allocate limited resources among competing claims when there is not enough to go around.

Our subcommittee has worked hard to answer this question as it relates to the Treasury and the Post Office. Mr. Chairman, I would like to commend the committee for their dedicated performance in formulating the recommendations we have here today.

Budget requests for fiscal 1970 by the Treasury and Post Office Departments, the Executive Office of the President,

and certain independent agencies totaled $8,821,727,000.

We have recommended cutting these requests by $42,382,000.

Assuming all estimated fiscal 1969 supplemental requests are enacted and all transfers to other agencies effected, the amount of increase recommended in this bill over the 1969 bill is $452,232,416.

At the outset I would like to discuss our proposed amendment to section 502 of Public Law 90–364, the Revenue and Expenditure Control Act of 1968.

Our amendment would lift the personnel restrictions of section 201 of Public Law 90–364. This is an extremely important and absolutely essential measure. The fact of the matter is that so-called savings from these restrictions have resulted in a tremendous loss of revenues to the Federal Government.

The field service activities of the Post Office Department were exempted from these restrictions. Were this not the case, it would have been impossible during fiscal 1969 to provide adequate postal service.

The Treasury Department was denied a total of 4,900 positions because of these restrictions. I would remind you that 85 percent of the total appropriations for Treasury are for the collection of revenues.

Treasury Secretary Kennedy testified that revenue losses to the Government in excess of $500 million resulted from these restrictions, and in many instances the full amount of the savings were offset by increased overtime costs in order to perform essential activities.

The Bureau of Customs lost 302 average positions accounting for a net reduction of $1,550,000 as a result of the manpower restrictions. The revenue loss attributable to this reduction has been estimated at about $30 million. I repeat, customs lost $30 million because of "savings" of $1.5 million. To put it another way, $20 was lost for each $1 saved.

The effect of these restrictions in the Internal Revenue Service is even more remarkable. It has been estimated that reductions in audits, collection activity, and coverage of delinquent returns would, over a 3-year period, result in a direct revenue loss of about $1 billion. I repeat, $1 billion will be lost between fiscal 1968 and the end of fiscal 1970.

More serious, however, is the eroding effect that inadequate audit coverage will have upon our voluntary compliance system. It has been estimated that a drop of only 1 percentage point in voluntary compliance would reduce revenues by more than $1.7 billion.

The implications of this are indeed overwhelming. And this can accelerate in geometric proportions. Thus a drop of 2 percentage points in voluntary compliance would reduce revenues by much more than $3.4 billion.

I have protested many times before, both on and off the floor of the House, the kind of economy that would save $1 million in appropriations at the expense of from $6 to $10 million in direct revenues.

I am protesting it again now. It is not only bad economics. It is also illogical and unwise. And I can certainly see no justification for it.

That is why our amendment to section 201 of the Revenue and Expenditure Control Act is so essential. I am more convinced than ever about the need for this amendment.

The subcommittee chairman hit the nail on the head when, during the hearings, he called the restrictions a classic case of being "pennywise and pound foolish."

I urge your support of this amendment. I think it is absolutely necessary to the successful collection of Federal revenues.

With that in mind, I would like to discuss some of our specific recommendations.

The committee reduced total Treasury requests by $9,569,000. Our recommendations reflect an increase of $68,487,000 over 1969 appropriations and $53,179,000 over 1969 proposed levels. These amounts would allow an increase of 4,500 positions, of which over 1,500 represent a restoration of curtailments under Public Law 90–364.

The Treasury Department has achieved substantial savings through management improvements. Since the program was started in 1947, more than $514 million has been saved. Last year alone over $97 million was saved. This is what we would like to see more of throughout the Government.

Treasury has been selected as the lead agency in the new law-enforcement training center. This center will provide training facilities and a modern training program for 12 agencies—Budget Bureau, Civil Service Commission, White House staff, Treasury, Justice—other than FBI, Interior, Post Office, State, Transportation, Smithsonian Institution, General Services Administration, and District of Columbia Metropolitan Police. The need for some type of central training facility for law enforcement personnel in these agencies has been apparent for some time. This new center should prove to be a valuable weapon in the fight against crime.

Last year the chairman and I expressed strong opposition to the transfer of the Bureau of Narcotics to the Department of Justice.

I said then, and still believe, that the work of the Bureau of Narcotics is more closely tied to the work of IRS and Customs than it is to Justice. It is part of the same overall operation. It seems ironical that an excellent law-enforcement agency has been removed only to be replaced by a new law enforcement agency.

I brought this matter up with Secretary Kennedy during the hearings. I was pleased to see that he agreed with me about this.

The Treasury Department contains some outstanding examples of increased productivity through technological improvements. All of us on this subcommittee encourage such improvements wherever possible.

The Bureau of Accounts is one such example. During fiscal 1951 the average production per employee in their major area of responsibility, central disbursement operations, was 60,000 units per man. In fiscal 1966 it was 343,000 units per man. In fiscal 1970 a productivity increase of 4 percent to an alltime high of 414,000 units per man is projected.

They are estimating an increase in central disbursing operations of 3.7 percent or 16.5 million items which will be handled with a net reduction of 6 man-years. They are also expecting an increase of 13 percent or 4 million Federal tax deposit items. However, as a result of improvements in the system, a 12.7-percent reduction in unit cost to a new low of 4.8 cents an item is projected.

The Bureau of Engraving and Printing is another example of increased productivity and reduced costs through mechanization. Recently acquired automatic equipment will reduce the cost of manufacturing food coupon books by $200,000 when it is fully developed. Moreover, as a result of further reductions in the cost of manufacturing currency, the unit cost rate may be reduced to an alltime low of $8.10 per thousand notes.

The Bureau of the Public Debt expects to issue 8,089,000 pieces of marketable securities in fiscal 1970, an 8.2-percent increase over the number last year. The bureau also expects to retire 8,705,000 such pieces, an increase of 11 percent. In addition, 148,250,000 savings type securities will be issued and 126,400,000 will be retired, representing an increase of 2.9 percent on the issue side and 3.2 percent on the retirement side. All of this will be done with an increase of only 29 positions, which includes 15 from restoration of curtailments under Public Law 90–364.

However, unmanageable backlogs and possible breakdown of adequate services to the public are predicted in the Bureau of the Public Debt unless relief is given from hiring restrictions. I would remind you that this is an agency whose productivity has increased more than 100 percent since fiscal 1957 when their first computer was installed. Without this increase in productivity, $17 million more would have been requested for personnel costs this year.

More than two-thirds of the funds requested for the Office of the Treasurer will be used to pay and reconcile some 593 million checks drawn on the treasurer and to handle the hundreds of claims which invariably arise due to the loss, theft, and forgery of Government checks. The workload in these two areas is wholly governed by the number of checks issued by other Government agencies.

Employee productivity in check operations has increased every year since 1956, and according to estimates this will be true in fiscal 1969 and fiscal 1970.

While checks processed since 1956 have gone from some 350 million a year to an estimated 593 million in fiscal 1970, the number of employees during that period has gone from nearly 700 in 1956 to less than 600 estimated for fiscal 1970.

In the first 9 months of fiscal 1969 an average of 2,144 claims has been processed each day compared to an average of 1,830 for the same period last year.

One small item that often goes unnoticed is the check forgery insurance fund. This is a revolving fund for which we have recommended $100,000 this year. The fund is used to make settlement on checks that have been paid on forged endorsements. You may be surprised to know that total irretrievable losses since

the fund was established in 1942 amount only to $19,450.

The committee cut $630,000 from requests by the Bureau of the Mint. We felt that the estimate of 7,505 million pieces of coinage was too high, especially when compared to an estimated 5,600 million pieces in 1969.

Concern over the continuing use of our limited supplies of silver in the half dollar was again expressed. The recommendations of the Joint Commission on the Coinage, on which I also sit, lessened much of this concern. I am most pleased with these recommendations and look forward to favorable congressional action upon them.

The new mint in Philadelphia will be formally opened in August. The principal item in our independent recommendation for that facility is $1 million for a second coin roller. These rollers are designed to turn out 10,000 coins per minute.

In recent tests the first roller did in fact perform up to expectations. It turned out 10,000 coins per minute with a 70-percent overall effective rate.

I have already mentioned how manpower restrictions affected the Bureau of Customs. Customs manpower was only 3.4 percent greater in 1968 than in 1950, at the same time that formal entries of merchandise increased 212 percent and the number of persons entering increased 146 percent.

The number of persons arriving in this country was 214 million in fiscal 1968, and is estimated at 225 million for fiscal 1969 and 238 million for fiscal 1970.

The number of arrivals by air increased 21 percent in fiscal 1968. Of the expected total of 238 million in 1970, 15 million will arrive by air. The problem is of particular concern because jumbo jets carrying 350 to 500 persons will be operative in January, 1970.

In 1969 the workload is in many instances increasing at a rate in excess of the 1968 increase. Formal entries, the single most representative indicator of the customs workload, have been increasing by almost 19 percent in 1969 as compared to 7 percent last year.

Customs collections, which were more than $2.9 billion in 1968, are increasing at a rate of almost 24 percent and will reach $3.6 billion in 1969.

The cost of collecting $100 was $3.09 in 1968. This will drop below $3 for the first time in 1969. This is made more significant by the fact that duty levels were substantially reduced last year. Some of the drop is due to greater efficiency, but some is due to failure to do an effective job because of lack of personnel.

In 1968 less than 10 percent of the 29.7 million foreign mail packages, exclusive of flats and prints, were examined. This is not an adequate rate of inspection either in terms of revenue collection or of customs enforcement. Moreover, the number of packages is expected to increase 5 percent annually in 1969 and 1970.

Customs is also being inundated with imported cargo. One reason for this is the increased use of large containers. Nevertheless, the average revenue collected this year for each dollar expended on commercial cargo importations is slightly over $56.

In 1968 more than 35 tons of marihuana were seized by customs authorities. This is enough marihuana to fill one-half a football field 6 inches high.

The authorities also seized 356 pounds of heroin, including a recordbreaking seizure of 135 pounds, 4 million 5-grain units of dangerous drugs, as well as sizable amounts of opium and other narcotics.

Seizures of all these items are ahead of those last year. In addition, more than 4,300 arrests have been made.

Customs authorities have a real problem on the Mexican border. For this work they need aircraft, high-speed boats, and police-type cars. The maximum that presently can be spent per police-type car is $1,800. I question whether this is enough for such a car.

I think the Treasury Department should be treated the same as the Justice Department where there is no limit on the amount that may be spent on each vehicle. This can be accomplished by very minor changes in language which we have included in our bill. I strongly support such changes and urge your adoption of them.

Last year Customs was authorized to purchase one aircraft. The authorization did not include a provision for the conversion of forfeited seized aircraft. This would decrease acquisition costs to almost nothing and would greatly facilitate their work. Our bill has provided for the purchase of one more aircraft and for the conversion of seized aircraft. I urge your support for this measure.

We cut 213 positions from Customs' request. These were, however, primarily for future operations at Kennedy International Airport. We believe that the recommended increase of 347 positions, of which 158 are for restoration of curtailments, is mandatory if we are to avoid losing any more revenue.

The Internal Revenue Service is the most crucial element in the revenue collection process. Gross revenue collections exceeded $153.6 billion in 1968. The estimate is $186.1 billion for 1969 and over $200 billion for 1970.

In 1968, 107.6 million tax returns were filed. The estimate is 110.2 million for 1969, and 112.7 million for 1970.

The successful operation of IRS is absolutely critical to maximizing revenue collections. I commented earlier about how manpower restrictions have affected this agency.

Part of the recommended increase is the result of 3,057 additional positions in compliance, almost half of which are for restorations of prior curtailments.

The manpower restrictions have also made it more difficult for the IRS to recruit recent law school and accounting school graduates.

The hiring restrictions have been most acutely felt in audit, which is the key to the Service's compliance efforts. It alone accounts for over one-third of IRS manpower and dollars. In fiscal 1968 and 1969 cuts here totaled about $17 million. This cost $55 million in 1968 and $197 million in 1969 in additional tax recommended. The total direct revenue loss attributable to hiring restrictions on audit alone will be over $500 million for the 3-year period 1968 to 1970.

The restrictions have also forced IRS to delay collection on 167,000 accounts representing roughly $200 million of legally established tax debts.

While the number of agents and technicians has been reduced, the number of complex tax returns requiring their attention has more than doubled from 9.5 million in 1964 to an estimated 20 million in 1970.

In spite of all this, IRS has managed to increase its productivity through mechanization. Automatic data processing operations are responsible for an additional $135 million in revenues in 1968.

I worked hard for the establishment of a master file system and increased use of ADP equipment. It gives me great personal pleasure to note the continually increasing benefits from this program.

The Secret Service performed exceedingly well under the tremendous pressure of last year's campaigns. As a result of Public Law 90–331, the Service must protect nominees and candidates as well as the President and Vice President.

From June 1 through November 1, 1968, an average of 604 special agents were employed. They averaged 447 hours of overtime or an average workweek of 57 hours during this period. If they had worked no overtime, an additional 298 agents would have been required.

The effects of this pressure upon the agents were described by a former flight surgeon as identical to those he saw in combat pilots—mental and physical exhaustion brought on by extremely prolonged periods of duty accomplished under constant continuing tension.

We have recommended an increase of 253 positions, 127 of which are for the increased workload and 35 of which are for organized crime.

We are also pleased to recommend the independent $700,000 request for phase two of the construction of training facilities. This will be used to complete the pistol, rifle, and vehicular ranges and to install appropriate range equipment.

Before discussing the Post Office Department, I would again emphasize the importance of lifting manpower restrictions from the Treasury. The Department has an enviable record of accomplishments. These restrictions could destroy that record as well as our highly effective system of voluntary compliance. I leave to your imagination how this would affect Federal revenues.

Shortly after taking office, Postmaster General Blount characterized the condition of the department he had inherited as "absolutely unbelievable." Commenting on this statement last Sunday, the Washington Post called it par for the course for any new administration talking about any old department—except that, the Post added, it happens to be true in the case of the Post Office Department.

The Kappel Commission report has given the Department a lot to think about, and rightly so. It estimated, for example, that improved efficiency would save $1 billion a year.

The Post Office Department has already undergone one major change, and is about to undergo another.

Postmaster General Blount's recommendation to take the appointment of postmasters out of politics was long overdue. I had advocated it for many years. I think it is an excellent step toward more efficient management of the Department and I fully support him on it.

I agree with General Blount that there is no reason in the world that we cannot have a postal system as good as our telephone system. If this can be achieved by converting the Post Office to a public corporation, I would certainly support such action.

What is important is that steps have finally been taken toward bringing the Post Office into the 20th century. I applaud this progressive attitude and am hopeful it will bear fruit before too long.

A 3.1-percent or 2.5 billion-piece increase in mail volume is projected for fiscal 1970. This would bring the total volume to 84.7 billion.

Eighty percent of Post Office costs are for hiring people.

The current Post Office budget reflects a revenue surplus of $384 million. This figure includes $611.4 million attributable to the proposed rate increase. It does not include $707 million in public service costs.

The Post Office Department cut their original budget by $48 million. I think this was a remarkable accomplishment given the short time they had to work on it.

In that short time they also reorganized by merging transportation and regional administration into operations, and by establishing a new bureau of planning, marketing, and systems analysis.

Public service costs have soared from $37.4 million in 1960 to an estimated $707 million for 1970. This almost a twentyfold increase.

Our committee is very concerned because the point has now been reached where the major portion of the postal deficit is offset by public service costs.

Not only do phonograph records get a reduced rate, but also if pornographic movie films get through the mails at all, they do so on a subsidized rate.

It is clearly time for us to take a hard look into the law on postal public services.

The key to solving postal problems is the Department's Office of Research, Development, and Engineering.

Yet less than one-half of 1 percent of total estimated postal obligations are allocated to research and development. This is less than one-quarter the rate industry found necessary 5 years ago.

The research-and-development program has been extremely successful. Major achievements developed or first applied to postal operations by this program should produce net savings of 11,700 man-years annually by the end of fiscal 1970.

Automatic readers account for 160 of those man-years that will be saved annually. Specifically, the Bureau estimates a net savings of 10 man-years per machine on each of the 16 readers that will be in operation at the end of 1970. These machines reach a cost beneficial point when they process 250,000 letters per machine per day. Some of them are currently processing over 500,000 letters per machine per day.

The Bureau of Research and Development also stressed the need for expanding in-house research and development capability.

Management is the other area that is vital to solving postal problems. We have recommended an increase of 790 positions for administration regional operation. More than one-third of these are for the inspection service. This is part of the expanded anticrime program. One of the Department's major goals is to limit the mailing of obscene and pornographic literature. I am sure that we all support efforts in this direction.

The largest single item in the bill pending today is the appropriation for Post Office operations. We have recommended the Department's request of $6,142 million because of the tremendous increase in mail volume as well as an increase in number of addresses to be served and an increase in postal salaries. This represents a $176.4 million increase over the 1969 level after allowing for a $245.3 million supplemental request.

We have recommended a net of 12,352 new job positions to handle the increased workload. This represents only a 1.7-percent increase over the number of positions estimated for 1969. I would also point out that it represents a smaller increase than that which occurred in the preceding 3 years. In fact, it is one-half the increase for 1969 and less than one-third the increase for 1967.

It is interesting to note that 50 percent of all mail is handled by the 75 largest post offices, and that 75 percent of all mail goes through our 300 largest post offices.

The committee cut $8.9 million from the request of transportation. Our recommendation is $54 million less than fiscal 1969 appropriations.

Transportation also operated $47.1 million below fiscal 1968 appropriations. More efficient use of scheduled freight train service as well as a lower volume of nonlocal mail and a slowdown in expansion of the air taxi program are primarily responsible for this savings. I was pleased to see a slowdown in the air taxi program for safety reasons. I was quite concerned over reports that questioned the safety standards and accident rates for these taxis.

Approximately 90 percent of all airliftable first-class mail was moving by air at the end of fiscal 1968.

The appropriations for building occupancy and for supplies and services are largely either direct fixed obligations or else absolutely necessary as support and housekeeping items. Therefore, there is not much room for postponements.

Nonetheless, we did cut $5.3 million from building occupancy. The number of facilities acquired through the construction-lease program has averaged about 1,000 per year for the past few years. This program results in a tremendous increase in the rent and utility cost for operation of such facilities. Moreover, there have been numerous complaints from communities and small towns which do not want, and in some cases actively oppose, such facilities. I know for a fact that this is the case in Lenox, in my district.

Plant and equipment and postal public buildings constitute the Department's capital investment program. We cut $5.7 million from plant and equipment because of reductions in the construction-lease program, and because we felt that further study should be made to determine whether it is better to purchase or to lease the 668 mail handling trailers that had been requested.

The Department requested $174.2 million, a 248-percent increase, for postal public buildings. We only reduced that request by $4.2 million. Thus we are recommending $120 million more than the 1969 appropriations.

The large increase for this area reflects the Department's new policy to build rather than lease in the case of major facilities. This policy is based upon the fact that government ownership of larger buildings is more economical than leasing.

The Department estimates that this new policy will save $229 million on 37 fiscal 1970 projects.

The most significant component of the cost difference between leasing and owning is the fact that the Department pays local taxes on leased facilities but not on owned buildings. These taxes are often very substantial, amounting to as much as $1 per square foot in some cities. In virtually all instances taxes add 20 to 30 percent to the ultimate cost of the building because they are a component of rental cost.

The fiscal 1970 represents funding for four fiscal 1968 projects, 15 fiscal 1969 projects and 24 new fiscal 1970 projects. It should also be noted that $121.9 million of the total request is for the construction of 13 projects which will produce 5.1 million square feet of new major facility space.

I would like to take this opportunity, before concluding, to point out a problem facing the Tax Court which is within our committee jurisdiction and which is of particular concern to me.

This court has again been faced with a postponement of the construction of a Tax Court Building. The 1970 budget contains no construction item for this building.

The need for such a building is even greater now than it was when the project was approved by the Public Works Committee more than 4 years ago. The plans and specifications for the building, on the site now occupied by the Federal City College, have been approved and the $450,000 appropriated for that purpose has been spent.

The cost of constructing the building is increasing every year it is delayed. Construction of the freeway adjacent to the site, which should be coordinated with construction of this building, is progressing.

I would remind you that the Tax Court is the only Federal Court in Washington not provided with suitable permanent quarters.

The problem is especially significant because the court is presently located in the Internal Revenue Service Building

while the Commissioner of IRS is a party to every single case in the court.

This is certainly an inappropriate situation at best. The American Bar Association has urged and requested that Congress provide suitable permanent housing for this court, separate and apart from IRS.

I believe that it is very important that steps be taken as soon as possible to begin construction of this building.

Mr. Chairman, thank you for this opportunity to highlight some of our work on this bill. It has been a pleasure working with you and the other members of the committee once again.

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

Mr. CONTE. I shall be glad to yield to the gentleman from Nebraska.

Mr. CUNNINGHAM. With reference to the Post Office Department, perhaps I missed the gentleman's reference to this Department. What do you propose to do in this field with relation to the Postal Savings and Loan Division?

Mr. CONTE. We did not cut that. I mentioned the public debt. That operation would come under the public debt and financing the public debt. Of course, the public debt is going up year after year, and as it goes up we have to sell more bonds.

Mr. CUNNINGHAM. Mr. Chairman, if the gentleman will yield further, I was primarily interested in the Savings and Loan Division because in my State, which has a population of about 1.5 million, we had seven or eight employees in this division and there was not enough business to keep them busy. Of course, the savings department personnel do not sell bonds and do not believe in banks and things of that nature. It is my opinion that there is a great deal of room for improvement in this type personnel.

Mr. CONTE. The gentleman has spoken to me on the floor about this. I hope that next year when we hold hearings on this matter, the chairman will invite the gentleman to appear and testify before the subcommittee. Certainly, we would like to have the gentleman appear before the subcommittee in order to obtain the gentleman's viewpoints on this matter.

I would suggest that we have the gentleman up before the committee before the division comes up for their money requests so that the gentleman could brief us on his experiences. We could then relay some questions to them when they come up before us. I certainly appreciate the point the gentleman has made.

I might mention that the huge increase for postal public buildings represents a new policy with the Department. The Department is now building rather than leasing in the case of major facilities. As a result of this, the request of $174.2 million represents a 248-percent increase in the postal public building element. We cut $4.2 million out of this request.

The only cut of significance in the Executive Office is the sum of $434,000 for the Bureau of the Budget.

I believe this is a real tight budget. As I stated, I can certainly go into this budget in greater detail. I have over 50 pages of material here, but I will not bore the Committee and will submit it for the RECORD.

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

Mr. CONTE. I will be glad to yield to my good friend from Iowa.

Mr. GROSS. Mr. Chairman, I thank the gentleman for yielding.

I understand that this is about $402 million above the spending for 1969.

Mr. CONTE. I believe the gentleman is quite right.

Mr. GROSS. For those two Departments and related agencies.

There are no cuts at all in the bill. They are all increases over the spending for last year.

Mr. CONTE. I believe the gentleman is substantially correct. We did make cuts from the requests by the administration in this year's budget, but only one falls below last year's appropriations. The recommendation for postal transportation is $54 million less than 1969 appropriations. However, this recommendation is the same as the 1969 proposed level.

Mr. GROSS. However, the true yardstick on whether you are economizing or not, or whether you are saving any money, is one of comparison of that which you spent the last year. And if one is in financial trouble personally, that is what one has to do; is it not?

Mr. CONTE. The gentleman is absolutely right but, as I said, when we were discussing the adoption of the rule, these are very sensitive agencies that we are dealing with here. These are revenue producing agencies in which the case workload goes up. The amount of people filing income taxes are going up, and the amount of people mailing letters are going up.

We are up to, I believe, 84 billion pieces in the volume of mail. All of this requires additional people.

Let me take one agency. For example, the Bureau of Accounts. More people are on social security today. More people are collecting veterans' compensation as a result of the Vietnamese war, and the Korean war. There are more people who are collecting all types of compensation.

I believe—and I may have to change this for the RECORD—but I believe that the production of an individual in the Bureau of Accounts in 1961 was about 166,000 units. Do the Members realize that today an employee pushes out 394,000 units? Can anyone imagine if they did not economize, if they did not put in these new schemes and machines, how many more employees they would have had to have?

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

Mr. CONTE. Certainly, if the gentleman from New York wishes to carry on a three-way conversation.

Mr. ROBISON. I would like to say to the gentleman from Iowa through the gentleman in the well that the point he makes about true reduction by reducing spending below the spending level for prior years is of course a valid measure of economy, but most of these agencies in this bill are service agencies, as the gentleman has said—agencies that have little if any control over their workload. They have no control over the volume of the workload they have to deal with.

They are agencies from which the public expects prompt and efficient service whether you are talking of the Post Office Department or the Bureau of Accounts, as the gentleman just mentioned. I think this is the reason that no Congress should expect this—to be able to come in and be able to reduce actually the personnel of any of those agencies from one year to the next as long as our population keeps going on up and the workload of those agencies keeps going on up.

Mr. CONTE. That is true. I think if you look at the record, and I recommend it to all the Members of the House, you will find it to be one of the finest jobs of questioning that we have done. I think we are entitled to a pat on the back.

I think one of the things that the gentleman from Iowa should look at in all of these departments, especially the Treasury Department, is that the cost of collection is going down in spite of overall increased expenditures.

First. For instance in customs, manpower was only 3.4 percent greater in 1968 than 1950, at the same time that formal entries of merchandise increased 212 percent and the number of persons entering increased 146 percent.

Second. In fiscal year 1968, formal entries increased 7 percent over 1967, informals over 15 percent, and carriers and persons almost 6 percent. Aircraft passengers increased approximately 21 percent. In total, almost 214 million people entered the United States last year at sea, air, and land border ports. The figure will reach 238 million in fiscal year 1970. In fiscal year 1969, the workload is increasing at a greater rate. Formal entries are increasing at rates in excess of rate for same period in 1968—19 percent this year against 7 percent last year.

Third. Customs collections, which were more than $2.9 billion in 1968 are increasing at a rate of almost 24 percent and at this rate will reach almost $3.6 billion in fiscal year 1969.

Fourth. Cost of collecting $100 was $3.09 in 1968. This will drop below $3 in 1969 for the first time. This is made more significant by the fact that duty levels were substantially reduced last year. Some drop was due to greater efficiency but some was due to failure to do an effective job because of lack of personnel.

There is one other point that I would like to make. I want to commend Postmaster General Blount because he came up to our committee with the original budget and said, "This is the Johnson budget—I accept it. Give me time to look it over and if I can make some cuts, I will make some cuts."

He came back to us at a later date and said, "Look, I want you to cut this budget another $48 million." That was at his request. This is the first time in my 11 years in Congress that I have ever seen an agency head come to a committee and lay his cards on the table and say, "Go ahead cut me $48 million." And on top of that we cut another $32.2 million.

Mr. GROSS. Mr. Chairman, will the gentleman yield on that point?

Mr. CONTE. Yes, I am glad to yield to the gentleman.

Mr. GROSS. Yet, we are told that one of the fine features in having such a corporation to handle the affairs of the Post Office Department is to float bonds in order to get more money. One of their acute needs is the need for more money. But they want to do it through the bonding process, to the extent of $10 billion or more. I do not know just what is going on and I hope to find out more about it, if we can get the Postmaster General before our committee on June 6, hopefully. I hope to find out what the story is.

Mr. CONTE. I am sure the gentleman will find out. I am sure the Postmaster General will explain it to you.

I think one of the big problems that the chairman and I have talked about for many years with many Postmaster Generals—and I believe I have seen six of them come across that committee—is the construction of postal facilities. These huge buildings are built in the heart of the cities where there is choked-up traffic. Today it takes less time to bring a letter from Los Angeles to Kennedy Airport than to get it out of Kennedy Airport, into the post office in Manhattan for processing, and out again.

One of the things we have been arguing about with respect to construction of facilities is that you have to build them on the periphery of large cities, and build them like shops rather than like big monuments. I believe the Postmaster General agrees with us about this problem, and I think he wants to correct it in this way.

But to do this today would necessitate adding $5 billion to our bill for postal facilities alone. That would not get through the appropriation process.

Mr. GROSS. Why can he not do it? Why can you not do it through the appropriation process?

Mr. CONTE. We had about all we could handle with $170 million in this bill. We would get clobbered if we ever came in asking for $5 billion.

Mr. GROSS. Well, to issue $10 billion worth of bonds, it would accomplish this purpose. That would just be doing it in another way. It would still be an obligation upon the Federal Government and upon the taxpayers of this country.

Mr. CONTE. Yes, but can you imagine what you can save if you had these shops today? Also, if you look at private industry, I think you will find that productivity is much higher in smaller buildings and smaller shops with less employees than it is in the bigger shops with more employees. Therefore, instead of erecting these monstrosities in the heart of our cities, small shops should be built on the periphery.

Mr. GROSS. I thoroughly agree with the gentleman that the facilities ought to be out of the congested areas of the city, but I did not think we were talking about the location of facilities or the kind of facilities. I thought we were talking about financing the facilities that are needed. For the life of me I cannot understand what the difference is to the taxpayer whether you appropriate $5 billion through Congress or you permit the Post Office Department to issue $5 billion worth of interest-bearing bonds. What is the difference?

Mr. CONTE. I think this is a colloquy that you and I might later engage in. Maybe you will come along to our way of thinking after you are briefed and after your hearings. If anything ever comes out of your committee, we will hit on that then. It is not in this bill. Perhaps we should wait until that time.

Mr. GROSS. I suppose that is the painless way of doing it. Let me ask the gentleman a question that is less painful. For this Commission on Obscenity and Pornography you apparently are appropriating $457,000. What has it accomplished?

Mr. CONTE. This Commission was set up by Congress and is headed by Dr. William B. Lockhart. Dr. W. Cody Wilson is the executive director, former Senator Keating, I believe, was on the legal panel. If you will read the hearings, you will observe that I had the same question in mind. I was quite concerned about this. I had mentioned to Mr. Lockhart that I filed what I thought was a pretty good bill to handle this particular problem. He had not been familiar with my bill. I was quite disappointed that they had not done more up to this point.

Mr. GROSS. I am one of those who thinks something ought to be done and done now about this business, but I see no evidence, judging from the stuff that is coming through the mail, that anything is being done about it. Perhaps a few more changes in the Supreme Court would help. But until we can get around to that, something ought to be done. Apparently this Commission is not making any contribution.

Mr. CONTE. At this point I want to commend the gentleman from Iowa because when you read the hearings, you will see that on page 237 of this hearing I questioned him on that particular point. In his prepared statement he said:

> We are to study traffic and distribution in obscene and pornographic material, study the effect of this material, particularly on youth and its relationship to crime and anti-social conduct, and then to recommend legislative, administrative or other action, based on these studies. This, of course, includes the duty to draft legislation with workable definitions of the material to be controlled.

That is what they are doing. However, I feel that they should have done a lot more. It is a new Commission, I am just hoping that, with the urging we gave them in the committee and with the colloquy that they will read here on the floor of the House, they will get moving and come forth with some results quickly.

Mr. GROSS. I thank the gentleman. Will the gentleman bear with me for one more question?

Mr. CONTE. Surely. I yield to the gentleman from Iowa.

Mr. GROSS. I notice an increase of more than $2 million for the Bureau of the Mint. Does it cost more money to make coins out of scrap metal, as we are doing today? What has caused the increase?

Mr. CONTE. Is that the increase in the cost of the Philadelphia Mint?

Mr. GROSS. We are not making coins of gold or silver any more.

Mr. CONTE. I do not have the figures with me, but there was an increase in the construction cost of the Philadelphia Mint. I believe the mint requested $1,770,000 which we gave them. There has also been an increase in coin production. As I mentioned, we did cut the Bureau of the Mint, but we have had to mint more coins this year. Although we think the estimate of 7,505 million is too high for 1970, the actual figure is sure to be greater than the present estimate of 5,600 million for 1969. I might add that there is a tremendous shortage of pennies at the present time. Another part of the increase is for the increased cost of the construction of the Philadelphia Mint.

In regards to the clad metal that we use for the dimes and quarters, the gentleman from Iowa will be interested to know that the Philadelphia Mint should be in working condition and ready to open its doors this fall. Hopefully they will be able to save a great deal of money by making our own metal rather than contracting for the metal with private industry, as they do at the present time.

However, I might point out that over all we made a great deal of money by the minting of this coin in seigniorage. The estimated seigniorage for fiscal 1970 on cupranickel-clad coinage is $224,426,000.

We have made a lot more money because we have taken the silver out of the coins. The difference between the cost of producing the coins and what we get for the coins has increased considerably.

If the gentleman from Iowa remembers, I fought on this floor vigorously year after year and even before the Bureau of the Mint and the Secretary of the Treasury ever had decided to take silver out of the coins, so we should not be dissipating this valuable metal and should be saving it, taking it out of the coins and saving it. At one time we had close to 2 billion ounces of silver in the Treasury. Today we have only 80 million ounces left.

Mr. GROSS. We ought to save our scrap metal from going to Japan, because we will need it to make this scrap coinage of ours.

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

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

Mr. STEED. Mr. Chairman, I think this is a good time to inform our colleagues in the House that we finally came to the new decision on the silver problem largely through the unceasing efforts of the gentleman from Massachusetts who now has the floor. I am sure had it not been for his efforts we would be in much more dire circumstances in the matter of our silver supply than we now are. Because the gentleman did such a good job, and did wage such a good and long fight on this, I take this opportunity to inform the House that I know of no one who deserves more credit for bringing this country back to a sensible silver policy than the gentleman from Massachusetts.

Mr. CONTE. Mr. Chairman, I thank the gentleman from Oklahoma, the chairman of the committee, for his fine words. Again I must say I have enjoyed

working with the chairman and the members of the committee. This has been a bipartisan effort. I think that under the leadership of the chairman we have gone forth with good tight bills. These bills certainly are for the good of this country. I am pleased that I have had the opportunity of serving with the chairman.

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

Mr. CONTE. I yield to the gentleman from Missouri.

Mr. HALL. Mr. Chairman, without any comment as to whether it is better to have to have our silver in coins or in the Treasury or in Revere silver—named after a famous gentleman from the State of the gentleman in the well—I think it is obvious the distinguished gentleman from Massachusetts has done his homework and he has given us many of the answers we needed here.

I would like to revert back to the question of decreases in the appropriations from the budget asking amount or the increases in amount over 1969 fiscal year appropriations.

I believe the gentleman will agree with me that from a number of sources it has become general knowledge that with the exception of the Department of Justice, the executive branch has ordered cuts in an attempt to balance the fiscal year 1970 budget across the board, and certainly to stay within the ceiling we discussed the other day in considering what we hoped was the last supplemental for the last fiscal year, but as an exception to the point of order, that ceiling was fixed.

The question in my mind is if we have not reduced the Department of the Treasury and the executive branch and the other department under consideration here today, are we not doing it because of the legislative wisdom of the committee, and will it be chalked up to to the will of the Congress, or is the statement in error that there was going to be an across-the-board cut in all the Cabinet departments of the Government except the Department of Justice? In two different departments here we are, in fact, increasing it over the amount for 1969. Would the gentleman comment on that, and does he know the answers?

Mr. CONTE. Yes. But I did mention that the Post Office Department, as a result of the edict by the administration cut $48 million from its request. The Treasury Department cut $7 million before they came up before our committee. This was done as a result of the same edict.

Mr. HALL. Did the committee then add any back, and will this still be within the purview and range of the balanced budget?

Mr. CONTE. The committee did not add anything back. In fact, the committee went forth and cut $32.2 million more from the Post Office request.

We also cut some $9.5 million more from the Treasury Department.

Mr. HALL. With $48 million here and $7 million there, in the opinion of the gentleman, who is an expert in accountancy, can we expect to reach the $5 billion or $6 billion cut in the fiscal year 1970 budget which the President has anticipated?

Mr. CONTE. Well, that is a good question. I would be less than honest if I did not tell the gentleman that, for example, the Post Office Department budget assumes a rate increase but does not take account of a salary increase of 4.1 percent. So for every percent that one goes over 4.1 percent, one can add $65 million.

Mr. HALL. The gentleman does agree with me there is nothing in this appropriation for the phase 3 salary increases.

Mr. CONTE. The gentleman is absolutely right.

We have the postal rate increase, several excise taxes that will have to be passed by the Congress, and the surtax that will also have to be passed by Congress. All these things will have to be done by the affirmative action of Congress before one can come up with this surplus.

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

Mr. CONTE. I am glad to yield to the gentleman from Illinois.

Mr. COLLIER. If I may briefly pursue further the operations of this Commission on Obscenity and Pornography, is this the group which has offices down there on 16th and Connecticut, completely outside of the postal operation?

Mr. CONTE. I certainly could not tell the gentleman what the address is. However, Dr. Lockhart's address is 125 Fraser Hall, Minneapolis, Minn.

Mr. COLLIER. That is some importance, but certainly not of major importance.

Mr. CONTE. I know they are renting quarters, but I cannot tell the gentleman whether it is on the said street.

Mr. COLLIER. How many are on that Commission?

Mr. CONTE. As I mentioned, the Chairman is Dr. William B. Lockhart. Dr. W. Cody Wilson is the Executive Director. Mrs. Virginia P. Banister is the administrative officer.

Mr. COLLIER. Basically, do they not take the funds appropriated in the bill before us today and distribute them to colleges and universities who in turn are doing research on such things, for example, as the influence of the operations of SIECUS upon high school students. Is that not about the prime purpose of their operation?

Mr. CONTE. I would say, in answer to the gentleman's question, that there are some contracts with universities.

I gave the gentleman the names of some connected with the Commission. I shall insert in the RECORD, without taking the time necessary to read them, the members of the Commission, as outlined on page 233 of this year's hearings.

MEMBERSHIP OF COMMISSION

Chairman: William B. Lockhart, Dean, University of Minnesota Law School, 125 Fraser Hall, Minneapolis, Minn.

MEMBER, BUSINESS AFFILIATION AND ADDRESS

Edward E. Elson, president, Atlanta News Agency, 3875 Green Industrial Way, Atlanta, Ga.

Hon. Thomas D. Gill, chief judge, juvenile court, 322 Washington St., Hartford, Conn.

Dr. Edward D. Greenwood, consultant to children's institutions, agencies, and schools, the Menninger Foundation, Box 829, Topeka, Kans.

Rev. Morton A. Hill, president, Morality in Media, Inc., 980 Park Ave., New York, N.Y.

G. William Jones, assistant professor of Broadcast Film Art, Building B–16, Apartment 7, New Slocum Heights, Syracuse, N.Y.

Hon. Kenneth B. Keating, judge, State of New York, Court of Appeals, 30 East 42d St., New York, N.Y.

Dr. Joseph T. Klapper, director, social research, CBS, New York City, 340 East 57 St., New York, N.Y.

Otto N. Larsen, professor of sociology. president-elect of the Pacific Sociological Association, University of Washington, Seattle, Wash.

Rabbi Irving Lehrman, vice president, Synagogue Council of America, national chairman, Rabbinical Council of U.S.A., Temple Emanu-El, 1701 Washington Ave., Miami Beach, Fla.

Freeman Lewis, vice president, publishing, Simon & Schuster, Inc., Simon & Schuster, Inc., 630 Fifth Ave., New York, N.Y.

Rev. Winfrey C. Link, executive director, Four-Fold Challenge Campaign, Tennessee Annual Conference, Methodist Church, McKendree Manor, Hermitage, Tenn.

Dr. Morris A. Lipton, associate professor and director of laboratories, Department of Psychiatry, UNC Medical School, Chapel Hill, N.C.

Hon. Thomas C. Lynch, attorney general, State of California, 6000 State Building, 350 McAllister St., San Francisco, Calif.

Mrs. Barbara Scott, attorney, Motion Picture Association of America, 522 Fifth Ave., New York, N.Y.

Mrs. Cathryn A. Spelts, instructor, South Dakota School of Mines, 4504 West Main St., Rapid City, S. Dak.

Dr. Frederick H. Wagman, director, University of Michigan Library, 210 General Library Building, the University of Michigan, Ann Arbor, Mich.

Marvin E. Wolfgang, University of Cambridge, Institute of Criminology, 7 West Road, Cambridge, England.

Mr. COLLIER. Aside from the research that deals with the influence of various degrees of sex education, which has become quite controversial in many areas of the country, in high schools, does this Commission deal in any manner with the peddlers of smut in various sections of the country to make any determination, for example, as to what volume they do in the operations of their business?

Mr. CONTE. Yes. I would say to the gentleman that the overall question the Commission is trying to answer in the traffic area is who gets how much, and of what, and how?

I might mention here, in regard to the gentleman's first question, that the initial meeting was held in July of 1968. It organized itself and divided itself off. There are four panels. The first panel is legal. The second panel is traffic and distribution. The third panel is effects. The fourth panel is positive approaches.

They also heard a preliminary analysis of the problems related to the legal, the traffic, and the effects areas. They appointed a subcomittee to secure a director for the Commission staff, and the director was appointed. The Commission held 12 meetings either of the full Commission or of subpanels to review existing information and to develop plans for implementing a thorough study directed by the Congress.

Mr. COLLIER. Have they submitted any interim reports to the Congress?

Mr. CONTE. I do not believe they have. I asked them that question.

Mr. COLLIER. Going back to the original public law which created the

Commission, I believe, if my memory serves me correctly, that it is due to expire on January 31, 1970. Is that correct?

Mr. CONTE. That is correct.

Mr. COLLIER. At which time the Commission is to present both to the executive and the legislative branches of the Government a complete and comprehensive report on all areas of the research that they have been charged with pursuing. Is that correct?

Mr. CONTE. That is exactly right. In regard to whether the report has been filed, I might mention that I asked Dr. Lockhart whether he had seen the bill I had filed, and whether he had had an opportunity to review it, and if so, whether he had any comments to make about it. He said in regard to the bill, "This is an interim report. We ought to keep the Congress informed." "Then," I said, "you will recommend legislation with this report?" And Dr. Lockhart said, "Not in terms of recommended legislation, but the legislation will be there and we will say in effect, 'Members of Congress this is a bill you may be interested in trying to do something with. However, we do not feel it would be appropriate to make a recommendation until we complete our factual study.' "

In other words, what they are saying here is that they will have an interim report and with that interim report they will have a bill.

Mr. COLLIER. I thank the gentleman.

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

Mr. CONTE. Yes. I yield to the gentleman.

Mr. SCHADEBERG. I would like to commend the gentleman in the well with regard to this commission. I know and I know that he knows all of us here in Congress have been getting increasing amounts of mail from people in our districts showing a tremendous disgust for what is taking place in our mails. I am hopeful that somehow or other we can in the very near future find some commission or find some way legislatively to put teeth into this rather than just talking about it. We have talked about it enough. I hope we can look forward to some action in the next few months.

Mr. CONTE. I want to take this opportunity to commend the gentleman. I agree with him, and I hope that legislation will be forthcoming. As I have mentioned, I have already sponsored legislation, but this commission has a great opportunity to come here and say, "We have made a thorough study. We have had the best legal minds in the country studying the constitutional question. This is a piece of legislation which we can support." And then we can get it through the House and Senate.

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

Mr. CONTE. I am glad to yield to the gentleman from Kansas.

Mr. WINN. I want to commend the gentleman for the work he has done on the ministructure along the lines of the questions asked by the gentleman from Wisconsin. I also wish to commend the gentleman from Wisconsin for the legislation that he has proposed.

Let me ask the gentleman from Massachusetts, do I understand him to say that Dr. Lockhart or the Chairman of this Commission was not aware of the various pieces of legislation that have been introduced? Did he give you the idea that they were not going to pay any attention to these pieces of legislation until the Commission makes its own report?

Mr. CONTE. He did mention some bills that have been filed, especially in the Senate. I said to him, on page 247 of the hearings:

> You spoke of the Smith bill. I don't know if you had an opportunity to look over the bill I filed, H.R. 7867.

Dr. Lockhart said, "I don't believe I have."

Then I told him how this bill was drawn up in line with the Ginsberg against New York case and how I thought it was constitutional. He went on to mention that they were preparing the interim report and with that report they would have legislation to recommend.

Mr. WINN. What would the date of the interim report be? Is that January 1970?

Mr. CONTE. I do not seem to be able to put my finger on it, but I hope it will be here a lot sooner than that.

Mr. WINN. May I ask the gentleman one more question along that same line? Is it possible that at this time those of us who have introduced legislation concerning pornography and trafficking in such might make our legislation more apparent to the members of this Commission in some way?

Mr. CONTE. By all means.

Mr. WINN. I thank the gentleman.

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

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

Mr. GROSS. First of all, I want to thank the gentleman from Massachusetts for taking the time that he has to explain this bill and for his frankness in doing so and for the responses that he has made to questions and his frankness in explaining the bill.

Somewhere in the report is an estimate, I believe, of the deficiency with which the Congress will be faced with respect to the pay increases—the automatic pay increases—of July 1.

Is there a price tag at this time as to the cost thereof?

Mr. CONTE. As I mentioned before, it is over $272 million. For every percent of pay increase you can figure $65 million.

Mr. GROSS. If the gentleman will yield further, is it not something over $2 billion as it presently stands?

Mr. CONTE. I thought the gentleman from Iowa and I were directing ourselves only to the Post Office Department.

Mr. GROSS. No; I am talking about the military and civilian pay increase on July 1.

Mr. CONTE. I do not believe our committee has gone into that.

Mr. ROBISON. Mr. Chairman, will the gentleman yield to me for a response to that question?

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

Mr. ROBISON. I think what the gentleman from Iowa is getting at is the overall cost throughout the Federal Establishment of the pay raise. It is my recollection that the figure which is used is $2.8 billion. What we are talking about here is phase 3 of the Post Office Department and that is $272 million as of July 1, 1969.

Mr. GROSS. But we are looking at the figure of $2.8 billion down the road in addition to the cost of this bill for the military and civilian pay increase in fiscal year 1970?

Mr. CONTE. The gentleman is absolutely right. I am sorry but I thought the gentleman was directing his remarks only to the Post Office Department.

Mr. GROSS. And, that is based upon, I believe, a 4.1 percent, or whatever it is, for postal employees; is that not correct?

Mr. CONTE. That is right.

Mr. GROSS. As that percentage goes up what will it be?

Mr. CONTE. For the Post Office Department, for every percent it goes up, you can add $65 million.

Mr. GROSS. I thank the gentleman.

Mr. STEED. Mr. Chairman, I yield 5 minutes to the gentleman from Texas (Mr. WRIGHT).

Mr. WRIGHT. Mr. Chairman, I would like to express my appreciation to the gentleman from Oklahoma for having yielded me this time.

I take this time simply to advise the Members that under the 5-minute rule I propose to offer an amendment which would place a limitation to prevent any money from being used to pay rewards to income tax informers.

In my opinion, Mr. Chairman, this is a thoroughly reprehensible practice. I do not think it squares at all with our ideas of a democratic form of government. It is not basically American for the Government to entice people under the lure of personal reward to spy on their neighbors or slip in a furtive manner to the Internal Revenue Service under the cloak of anonymity and accuse their neighbors.

Mr. Chairman, when I first heard that this is sometimes done my reaction was one of disbelief. I said that my Government is not a police state, one that sends one citizen to spy upon another and then pays him for having done so as an informer. Yet, I was wrong. I am sorry to admit that this is done.

I introduced a bill some several years back dealing with this subject because it plagued and bothered me to know that this was done by our Government.

The bill, of course, was referred to the Committee on Ways and Means of the House, and with the great volume of legislation that comes to that committee no one really has much expectation of getting an individual bill considered by that committee. So the only way I felt we could get to it and have an expression of the Members, if a majority of the Members feel as I do against this kind of reprehensible, sneaky practice, is to offer it as a limitation on this appropriation bill.

Very simply it is a matter of principle. I recognize that professional informers may be necessary in a situation of very hard crime such as narcotics, gambling

syndicates, organized smuggling, and things of that sort, but it certainly is not and should not be necessary for the Government to entice people to become sneaky, professional informers maliciously slipping in to get even with some neighbor whom they suspect may not have paid enough taxes, and then expect to be paid by the Government for having done so.

Mr. Chairman, I hold no brief for income tax evasion, certainly. If any citizen has knowledge that it is being committed, then it is his civic duty to go to the Government with the information and the evidence. But these people who slip in under the cover of darkness in the hope of feathering their own nests surely are not necessary. The Internal Revenue people do not like the practice—most of them do not. One of them encouraged me to introduce such a bill several years ago. They do not advertise this practice. They do not want a new batch of avaricious informers coming out of the woodwork, hoping to get 30 pieces of silver from the Government for having surreptitiously put the kiss of Judas on some neighbor. In most cases, the Internal Revenue people tell me, nothing more substantial is involved than malice or suspicion or envy. It brings them into contact with some of the least desirable elements of society and chases them up endless blind alleys.

I just do not believe the Government ought to encourage that kind of thing. I do not believe ours is that kind of a government. I do not believe we need to have paid informers to spy on their neighbors.

That is about all there is to it. When the amendment is offered I hope my colleagues will be able to join me in supporting it.

Mr. BURLISON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. I yield to the gentleman from Missouri.

Mr. BURLISON of Missouri. Mr. Chairman, I would like to commend the gentleman from Texas on his very fine statement, and I would like to associate myself with his remarks. I certainly will support his amendment when it is offered.

Mr. WRIGHT. I thank the gentleman.

Mr. FULTON of Tennessee. Mr. Chairman, I would like to offer my full support to the amendment being offered by the gentleman from Texas. Certainly there can be little disagreement that this practice of recovering Federal taxes by the use of informers is odius per se. I have been sponsor of bills to outlaw this practice which, as the gentleman from Texas has pointed out, has had very little support even among the personnel at the Internal Revenue Service.

In addition to the repugnance of this type of practice under our form of constitutional government, I believe it should be borne in mind that this practice is really not needed. The IRS has, over recent years, spent millions of dollars to computerize their task which as a result has made the service far more efficient than was expected.

Therefore, because of its odiousness and demonstrated lack of need I respectfully urge the House to approve the amendment offered by Mr. WRIGHT.

Mr. STEED. Mr. Chairman, I yield 5 minutes to the gentleman from New York (Mr. ADDABBO).

Mr. ADDABBO. Mr. Chairman, I rise in support of H.R. 11582, the Treasury, Post Office, and Executive Office Appropriation Act for fiscal 1970.

First, let me congratulate the chairman of the subcommittee, the gentleman from Oklahoma (Mr. STEED) and the gentleman from Massachusetts (Mr. CONTE) and the staff for their fine work in bringing this measure to the House today.

As a member of the subcommittee I am convinced that this bill represents a true bipartisan effort to approve only the essential budget requests for these departments.

The bill before the House today recommends appropriations for these agencies of $8,779,345,000 total—a reduction of more than $42 million below the budget estimates and an increase of more than $621 million from the fiscal 1969 appropriations.

The proposed increases relate to increased workloads and costs principally in the following areas:

First. Treasury Department programs to curb organized crime and other criminal activities. This includes funds for construction and staffing of a Federal law enforcement training center.

Second. Mandatory salary increases for postal workers.

Third. Modernization of postal facilities.

Fourth. Funds to continue the work of the Commission on Obscenity and Pornography.

In addition to the above this bill contains a provision removing the personnel restrictions imposed by Public Law 90–364. This will allow these agencies to hire adequate staffs to operate important revenue raising programs such as tax law enforcement and reduce backlogs in customs invoices and unprocessed tax returns.

Mr. Chairman, the men of the postal and Treasury service, which also includes customs agents, must be indeed complimented in their dedication to service, often working under the most trying conditions and the worst of facilities. I believe if the proposals for speedup in obtaining new postal facilities are met it will give better working conditions and expedite the delivery of mail.

With regard to customs, these men must also be complimented for their untiring efforts and the great accomplishments in seizures of illegal goods. But I also feel there must be greater utilization of manpower in certain instances. I also feel that the U.S. Government should not be required to supply to the individual airlines customs agents at a place determined by the airlines unless some compensation to the Government is paid for by the airlines and a full study should be made.

Mr. Chairman, I do not believe there is room for further reductions in this bill and I urge my colleagues to support this legislation in its present form. These are essential service programs and they must be funded at a level which assures efficient operation.

Mr. STEED. Mr. Chairman, I yield 5 minutes to the gentleman from California (Mr. COHELAN).

Mr. COHELAN. Mr. Chairman, as a member of this subcommittee, I rise in full support of this bill, H.R. 11582.

I take this opportunity to commend the gentleman from Oklahoma for his superior leadership and dedicated performance as chairman of the Subcommittee on Treasury and Post Office. His thorough knowledge of the bill reflects his years of experience and long hours of work and effort. With a small and dedicated staff each agency's justification are examined in the most careful detail. Personally, it has been a great privilege to serve on this committee with so many able colleagues under the outstanding and gifted leadership of both the gentlemen from Oklahoma and our colleague from Massachusetts, the ranking minority member, Mr. CONTE.

Mr. Chairman, this is a good solid bill. I urge an "aye" vote.

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

Mr. CONTE. Mr. Chairman, I yield 5 minutes to the gentleman from New York (Mr. ROBISON).

Mr. ROBISON. Mr. Chairman, I too would like to join with my colleagues on the subcommittee who have addressed complimentary remarks toward our subcommittee chairman, the distinguished gentleman from Oklahoma (Mr. STEED), and our equally distinguished and capable ranking minority Member, the gentleman from Massachusetts (Mr. CONTE).

It is indeed a pleasure and a privilege to work with both of these men in the serious consideration of a bill of this magnitude covering agencies as important as these agencies are to the people of this Nation.

Mr. Chairman, I think it is a welcome coincidence that on this particular day when this bill reaches the House floor covering the budgetary needs of the Post Office Department that the Congress should also receive on that same day the Presidential message on Post Office reform.

On page 2 of that message a point is made by the President, and I quote:

> In this fiscal year, the Department will drain over a billion dollars from the National Treasury to cover the deficit insurred in operating the Post Office.
>
> Over the last decade—

The President continued—

> the tax money used to shore up the postal system has amounted to more than eight billion dollars. Almost twice that amount will be diverted from the Treasury in the next ten years if the practices of the past are continued.

Then says the President:

> We must not let that happen.

Then he points out, as we all should understand, that the money to meet these huge postal deficits comes directly out of the taxpayers' pockets regardless of how much they use the mail.

That line from the Presidential message, Mr. Chairman, brings me to one point that I wish to make in my brief allotted time and that is to again call the attention of my colleagues to the fact that the subcommitee did, with the encouragement and support of our chairman and our ranking minority member, go into this question of the postal deficit, and particularly the question of public service costs in greater depth than we have in recent years.

Of the $1.2 billion which is estimated to be the postal deficit for the fiscal year 1970—absent any action on the rate bill and excluding therefrom the phase 3 of the pending postal pay adjustment—of that $1.2 billion, $707 million is estimated to be the so-called public service costs, as determined by the Postmaster General under the Postal Policy Act of 1958.

Mr. Chairman, in our committee report, on page 13 thereof, we call attention to our serious concern over the manner in which this public service cost item has increased from $37.4 million in 1960, when the first such appropriation was made, to an estimated $707 million for fiscal year 1970. We are urging our colleagues in this Congress to consider this serious situation and the appropriate committees to recommend action to the Congress in order that this situation can be corrected.

There is pending, as we all know, before the legislative committee a rate bill that so far has not been received with much enthusiasm by many Members of this body.

But, just let me say to you, Mr. Chairman, in conclusion, why some action on some sort of rate bill this year is necessary. The words that I will use in urging such action are words used by a former President, and this is what he said:

> A postal deficit of more than one-half billion dollars is obviously unsound, especially at a time when every effort must be made to reduce the size of the Federal budget. The taxpayers of this country are faced with an unavoidably large burden in financing our defense program. It is unreasonable and unfair that they should also have to pay for postal costs which should be borne by those who receive the direct benefits of postal service.

Mr. Chairman, the President who said that was not Richard Nixon, nor even Lyndon Johnson. It was Harry S. Truman and the date was 1951.

I submit to all of my colleagues that Mr. Truman's warning applies with even greater urgency today, as we face a potential postal deficit of more than twice the size the one that he was speaking of, in a time of even heavier defense spending and ruinous inflationary pressures.

Mr. Chairman, this bill does not treat the ills of our postal system—it cannot do that, for it is not the proper vehicle. But this bill does highlight those ills and points up the need for action to eliminate them. Such action, through postal reform of the type the President has now recommended to us, and the construction of a fair rate structure must originate from another source. But the time for such action is now.

Mr. Chairman, as usual I find there are more items in this bill that I would like to discuss than I have time available in which to do so.

Therefore, I have sorted out my own priorities—so to speak—and will concentrate on the items I am most interested in as long as time may permit, and will use the extension privilege in order to cover such other items as may remain.

Basically, I think the greatest challenge facing our subcommittee—and one of the larger domestic challenges facing Congress—is what to do about our Nation's postal system.

For a number of years now, we have been hearing that the postal system was "in a race with catastrophe." I think that has been an apt description of the situation in the last several years and also up to the present. However, I am optomistic enough to now believe that a corner of sorts has been turned.

That optimism stems from a variety of factors, not the least of which is the zeal and the ability being displayed by our new Postmaster General, Winton M. Blount—and the truly fine management team he has assembled around him—in getting to the heart of the things that have been wrong in the system, and embarking on the procedures that will be necessary if we are to ease or to eliminate these matters.

Another reason for my optimism stems from the growing evidence that there is now a solid foundation of public—if not yet congressional—support for sweeping "postal reform." I have, in my text, purposely put quotation marks around that phrase "postal reform" because the phrase means, as we know, different things to different people. It is not presently possible to predict how all this will work out but, clearly, as General Blount said on the final day of our hearings, some type of "postal reform" is "an idea whose time has come."

As we know, the new management team in the Post Office Department has—with the encouragement and full support of President Nixon—been working on its own "reform" proposal and that—today—has finally taken its place in line for consideration by the Committee on Post Office and Civil Service along with the other "reform" proposals it has before it. I would hope that, since this event, committee action can soon follow for time here, I believe, is truly of the essence if that "race with catastrophe" is to be won.

Now if, as I have already suggested, "postal reform" comes in several varieties, it also has many facets, not the least of which is the complex and bothersome question of the kind of rate-structure a "reformed" system should have as its base.

Earlier this year, I suggested to our subcommittee chairman (Mr. STEED) that I felt we ought to delve into this aspect of our overall problem more deeply than usual this year, and that I further felt we could do so in such a fashion as not to intrude into the prerogatives of the legislative committee but, indeed, in a way that might be helpful to it. Our distinguished and capable chairman was, as usual, not only fully cooperative but also enthusiastic about our doing so. The results can be found in part 1 of our hearings—beginning on page 366 thereof—and if any of my colleagues are interested in this subject, Mr. Chairman, I would ask them to direct their attention to the information thereafter set forth.

We were especially concerned—and an historical reference to this concern is made on page 13 of our report—over the tremendous increase since 1960 in what is called postal "public-service costs." As the report indicates, that budgetary figure has risen from $37.4 million in fiscal 1960 to $707 million, as the revised estimate thereof, for fiscal 1970. And, it should be noted, this latter figure will climb even higher when the presently unbudgeted postal-pay increase due July 1st takes effect—at whatever percentage or figure may eventually be decided upon.

Now, the major reason for this rapidly escalating item—which bids fair to totally eliminate the so-called postal deficit for ratemaking purposes—is the application by the Department, as it must do by law, of the provisions of what is known as the Postal Policy Act of 1958.

In my judgment, Mr. Chairman, that statute is badly in need of review and revision in the light of today's circumstances. The fault with the statute does not lie in its vagueness; indeed, it is all too explicit. Its fault lies, in my judgment, in cementing into our postal system substantial subsidies to certain mail users along with an unorthodox and, I believe, unrealistic cost-ascertainment system.

The subsidies in question—and to which I have just made reference—were deemed at some time in the past as necessary to serve the interests of the Nation as a whole, but many if not most of them are presently indefensible, at least in my judgment. And it is no mere coincidence—as the taxpayers who must make up the difference are beginning to note—that the volume of public service mail has risen much more rapidly than the volume of other mail.

Congress itself has continued and is still continuing to add to this unbalancing act by, from time to time and in patchwork fashion, including new categories of items and of so-called nonprofit organizations to the lists of those authorized to receive reduced rates, and no end to the escalator we are on is now in sight—unless, that is, we call a halt to all this.

Concern about uncontrolled public service postal costs has been expressed in other quarters—by the Postmaster General's Advisory Panel on Postal Rates in 1965 and by the so-called Kappel Commission last year, for instance. And I suggest it is time that concern be expressed here in Congress as well, and in such a way as to translate itself into early corrective action.

The new Postmaster General, and his management team, have addressed themselves to this problem, but will need more time than they have so far had to be able to recommend fully its resolu-

tion. However, since the ultimate decisions to be made must be made here in Congress that is no reason why Congress should not begin work on this, on its own, as a matter separate and apart from, though closely related to, postal reform.

The Kappel Commission was of the opinion that our postal system which is now so heavily oriented toward business—only 7 percent of our current mail volume involves correspondence between individuals, or 14 percent if greeting cards are included—ought to be capable of supporting itself completely from its revenues. This may be a politically impossible goal, but it involves a principle with which I would agree. Of course, so saying always raises the hackles of those who firmly believe the postal system is and must remain a public service and, hence, a partially tax-supported institution.

Well, I respect the sincerity of those who hold to that view, and I suppose there is ample room for some sort of a compromise if we must still hold largely to that view, but I am firmly of the belief that such actual revenue deficiencies as these in fiscal 1968—$450 million arising from second-class rates, and $324 million from third-class rates—are just too high.

And I am also firm in my belief, Mr. Chairman, that we will find it politically difficult, if not impossible, to again raise the rate for the first-class mail user who—before public-service costs are carved out—now pays 104.6 percent of the cost of the service provided him, while the second-class cost coverage, as a whole, is only 25.9 percent, and total third-class coverage is only 74.6 percent, these being the 1968 figures.

Now, I know that these percentages as I have stated them need to be weighted because of a variety of factors, and I know that the present postal cost-ascertainment system is not all it should be. But I still submit, Mr. Chairman, that these coverages are badly out of balance and will remain so even if the presently recommended rate-increase bill should be enacted.

Nevertheless, some sort of upward adjustment in postal rates is necessary, for reasons well stated by a former President:

> A postal deficit of more than one-half billion dollars is obviously unsound, especially at a time when every effort must be made to reduce the size of the Federal budget. The taxpayers of this country are faced with an unavoidably large burden in financing our defense program. It is unreasonable and unfair that they should also have to pay for postal costs which should be borne by those who receive the direct benefits of postal service.

The President who said that was not Richard Nixon, nor even Lyndon Johnson, but Harry S. Truman—and the date was 1951. Yet Mr. Truman's warning applies with even greater urgency today, as we face a potential postal deficit more than twice that size in a time of even heavier defense spending and ruinous inflationary pressures.

Indeed, going back through the years it would seem as if the blame for the continuing postal deficits that have been foisted on the taxpayers of this Nation lies more clearly at the doorstep of the Congress than that of the Chief Executive. For instance, on vetoing a postal pay bill back in 1924, President Coolidge said:

> We should not add to the postal deficit as is proposed by this bill but should attempt, as a sound business principle, to have the users of the mails approximately pay the cost of the service.

This particular subcommittee of Congress, however, Mr. Chairman, saw the recent handwriting on the wall, forecast what the effect of the act of 1958 would be and, for a time, resisted that effect by denying appropriations for "public service" costs. It clung as long as it, alone, could to the so-called "revenue foregone" approach as a truer measure of subsidies for ratemaking purposes, as did the department, itself, up to July of 1961. But, since then, bowing to strong congressional and outside pressures, we have accepted the "total-loss" approach, as it is called and, as had been predicted, "public service" costs have escalated rapidly up to the present level from which they threaten, as I have said, to wipe out the true postal "deficit" altogether.

The Department now believes we should return to the "revenue-foregone" procedure, and so do I, just as I think Congress should pinpoint such truly desirable mail subsidies as we can agree should be continued in today's circumstances, and then have those borne by appropriate other Federal agencies—for instance, if some second-class subsidies are determined to be still needed from the standpoint of promoting public education, let us say, they should be charged to the Department of Health, Education, and Welfare, and so on.

But that is for future consideration, and meanwhile there is a good deal of public misinformation about our present situation, some of it probably promoted by people with their own special axes to grind. I recognize there is some political risk in saying it, but it seems to be true that the second-class mailers deliberately focus public attention away from themselves and on third-class subsidies, particularly on that category thereof most persons call "junk-mail." During our hearings, for instance, I quoted from an otherwise well-researched magazine article about the Post Office's problems that referred to "bargain junk mail" rates and said those who use such rates, "would be fools not to keep piling it on"; and then it was declared—erroneously as we have seen—that such mailers "probably account for most of the billion dollars a year Treasury subsidy that goes to the Post Office. If the balance of this article had been as sloppily done as this, such a misstatement would be understandable. As it was, however, the author's objectivity has to be suspect.

From the historical standpoint, there have been third-class subsidies since 1863, based—apparently—on the idea that such were needed to promote the growth of business generally but, with full tax-deductions now for all business-promotional costs, it could be argued that this, alone, is now enough of a subsidy—and did you ever note, Mr. Chairman, how much "piggy-back" promotional material one gets nowadays in his first-class mail? With practically every bill or statement today also comes a whole variety of advertising material of one kind or another. Do you suppose the third-class users—if their rates went up more than now suggested—could work out a deal with somebody like the 'phone company to "piggy-back" their material for them?

Seriously, though, one third-class subsidy I would like to see ended is that enjoyed by the purveyors of pornography. It is bad enough for the citizen to have to be subjected to this kind of filth, without his also being required, as a taxpayer, to subsidize the cost of its delivery to his home.

Mail was given no "class" categories until, as I have noted, 1863 when the third-class categories got their start. But, long before that date "special" rates were fixed for newspapers and books. Indeed, it might be said that the postal service was responsible for the origin of American newspapers. The colonial postmasters knew about the special rates or even, perhaps, set them, and not surprisingly, many of them eventually became newspaper publishers.

You see, the very first newspapers were treated as letter mail. But to send such a one-ounce newspaper from New York to Philadelphia would—so the Library of Congress tells me—have originally cost 72 cents for mailing, a prohibitive charge to any would-be publisher. But the local postmasters could frank them for a fixed charge—so it is easy to see why many of them became "publishers" themselves.

George Washington thought all such items ought all to be mailed free, and an early House agreed, saying:

> Circulation of political intelligence through these vehicles (newspapers) is justly reckoned among the surest means of preventing degeneracy of a free government, as well as of recommnding every salutory measure to the confidence and cooperation of all virtuous citizens.

Sort of sounds like the modern Congressional "newsletter" does it not?

In any event, though the early publishers often got pretty violent, even some of those they attacked, like Thomas Jefferson, said:

> When the press is free and every man is able to read, all is safe.

And so, through the years, the privileged position of the press became gradually more secure until, in 1879, the Mail Class Act of that year was actually drawn up by newspaper publishers meeting in caucus at the invitation of certain Congressmen, and this basic privilege has now been extended to magazines, books and periodicals, and even films and phonographic records.

Undoubtedly, Mr. Chairman, in the early years of our Republic this principle served us well, and did contribute to national literacy and knowledge, but I suggest that there is little resemblance between colonial times and today, or even between 1879 and 1969, and little justifi-

cation for second-class subsidies now running upward of $400 million annually.

There is—and always will be—a need to promote literacy and knowledge; and newspapers, books, magazines, and the like will always play a key role in our continuing efforts to do so. But, given modern America's educational climate—with vast Federal and other public sums, supplemented by private moneys, being spent on educational institutions, on public libraries, eventually on educational television and the like—one has to ask how much of the present second-class subsidy is still appropriate.

Often, a distinction is attempted to be drawn between unwanted "junk mail" and newspapers, books, and so on ordered by mail. There is a difference, of course, but one must also ask whether it is appropriate for the more-affluent American who desires to receive, let us say, the Wall Street Journal or Fortune magazine through the mail, or to join a book-of-the month club, to require his less affluent neighbor to subsidize, with tax moneys, his desires in this respect.

The answers to such questions will not come easily, Mr. Chairman, but they must be sought.

Meanwhile, we must do what we can to assist the new Postmaster General in getting the Department on a more businesslike and efficient basis. This requires our support of the Department's continuing efforts in the postal research and development field—as our bill recommends—and it requires funds for new capital investment in urgently needed new postal facilities and equipment.

If one wonders why postal service is sometimes as poor as it is, one needs only to visit a sectional center such as the one located at Elmira, N.Y., in my district. This facility, like many other sectional centers, was thrown together hastily when this concept was first adopted but, from the beginning, it has been inadequate both in layout and equipment to do the job intended for it. And, Mr. Chairman, a visit to this facility would dramatically bear out one of the Kappel Commission's key findings, that in the postal system the "failure is—generally—one of method, rather than of men."

Our chairman (Mr. STEED) has repeatedly addressed himself to this aspect of our overall postal problem, and has convinced the rest of us that substantially higher investments must be made in new plant and equipment. He is an advocate of the postal public buildings program, for which this bill provides $170 million—an increase of $120 million over the current year's level of funding.

I support this item, but with serious reservations—reservations not related to the need for new facilities, which is apparent, but related to our present budgetary impasse. I believe it would be wiser, until our fiscal situation is eased, to construct some of at least the smaller of these proposed postal buildings through the familiar lease approach, but it is evident mine is very much of a minority viewpoint within the subcommittee and I see no value in pursuing it further at the moment.

But, at the same time, I am encouraged by the new and harder look the Postmaster General—a builder by trade—is taking at the kind of postal facilities we will need in the future. For instance, as some of you may have noticed, Postmaster General Blount has recently ordered cancellation of the Department's prior plans for a $100 million postal complex to be built in New York City. He said, in doing so, that not only would the complex probably turn out to cost $150 million, but that a new system of post offices for the city, separately handling bulk mail—parcel post and second- and third-class—and first-class and airmail would be a far more efficient and economical way of handling New York's mountainous mail burden, and would avoid "congestion of men, machines, and vehicles."

Postmaster General Blount also seems to see value—and so do I—in the "mail factory" concept, as advanced by former Postmaster General Watson on leaving office; these would be modular buildings built outside of congested urban areas, for processing incoming and outgoing mail, with easy access by both air and surface carriers, using the "downtown" post offices as local service centers. It may take a bit of education to get the public mind off the need for post office "monuments" in the central parts of their cities but, if they felt a different approach meant better mail service, I am sure they would support this idea and I, for one, want to see it tried.

With mail volume expected to leap to 100 billion pieces a year in the next decade, we must move now to prepare ourselves for such an avalanche of mail. That is why—with the success that is coming in developing letter-sorting machines and the like, we must be patient yet awhile over the present deficiencies in the Zip Code system. Perhaps it has not yet speeded the mail as it was earlier advertised to be capable of doing, but to live up to its promise, it needs to be more fully integrated into a postal "system" worthy of the name, and that we still do not have. Thus, such articles as the one now appearing in the "National Enquirer," headlined "Zip Codes Not Used To Send Your Letters," and subheadlined "Biggest Government Fraud Ever Perpetrated On American Public," are not only damaging to the Department's already tarnished image but show a total lack of understanding of the basic postal problem.

So, too, in my judgment, do Members of Congress who enthusiastically announce their support of postal-pay bills while, at the same time, declaring they will not vote for any rate increases until the postal patron gets better service. Postal pay must be increased, and no doubt will—but let us remember, Mr. Chairman, that the Department's potential actual deficit for fiscal 1970—with the budgeted postal pay increase due July first included—will be $1.473 billion, and that another $65 million must be added to that figure for every percentage point increase in postal pay this Congress may decide to add to the planned July increase. Thus, an additional 10-percent increase in pay would lift that deficit—without a rate increase—to over $2 billion in the forthcoming fiscal year. In the highly inflationary situation we find ourselves in, this would be the height of fiscal irresponsibility.

Mr. Chairman, if I have overspent my time on the postal part of this bill, it is because—as I earlier said—this is wherein our greater challenge lies. By contrast, the problem—and needs—of the Treasury Department, and those other agencies that report to us, seemed routine, indeed.

That does not mean to imply that their work and efficient operation is less important for both Treasury and the Bureau of the Budget, for instance, are extremely important agencies, performing key Federal functions.

The details of their budgetary requests, and of our action thereon, are well explained in the report and have been amply covered by other members of our subcommittee. Of especial interest is the personnel problems that congressional action last year—in an effort to save money—caused such revenue producing bureaus as Customs and the Internal Revenue Service. Mr. STEED has gone into this matter in depth, and I believe we all agree that last year's action was "pennywise but pound foolish" in this respect.

One of the more-striking examples of that fact is illustrated by the alarmingly high dollar volume of delinquent accounts facing the IRS—about $1.5 billion-worth, all told, as of the end of 1968, an increase of some $190 million over the comparable figure as of the end of 1967. I do not suppose every penny of this can be related to the shortage-of-personnel problem, but surely much of it can be and, certainly, it is a backlog that must now be vigorously attacked by the new administration.

Congress, as we know, is also now in the throes of drafting a "tax-reform" measure. Like "postal reform," such an effort has been too long delayed and broad action on both fronts is now urgently needed.

As for "tax-reform," as President Nixon has said:

> We shall never make taxation popular, but we can make taxation fair.

Not only can we do that, Mr. Chairman, but we must do so or we will, indeed, experience soon a "taxpayers' revolt" of serious magnitude. I suspect that "revolt," if one comes, would find its genesis less in the magnitude of the tax burden our citizens now carry than in their developing suspicion that other citizens are escaping their fair share of that burden. We must make absolutely certain that this is not the case; and that, instead, our tax laws are equitable and evenly enforced so that each pays his proper share of the burden.

But, again, our people must understand that the kind of tax reform we are now discussing here will not open great new sources of revenue nor do much to lift or lighten the tax load carried by that great mass of our citizenry—the so-called middle-income brackets.

These are the Americans who must pay

for almost everything this Government does—for them or to them. The poor cannot pay, and the rich are truly too few to bear that burden. As a table shows on page 790 of part 2 of our hearings, in 1967 there were 34,283,035 individual taxpayers with incomes of between $5,000 and $15,000 totaling, in all, $300,183,070,000, on which they paid in that tax year, after credits and exemptions, a total Federal income tax of $31,288,294,000. This was 49.8 percent of all individual Federal income taxes collected in that year.

By contrast, there were in the same year 5,032,307 individual taxpayers with incomes above $15,000 totaling, in all, $132,041,011, on which they paid a total Federal income tax of $27,094,113,000, or 43.1 percent of all such taxes.

In this age of rapid inflation, it is difficult to set the proper cutoff point for the middle income bracket. If we move it up, now, to a high of $50,000, which may not be altogether unreasonable, the percentage of individual Federal income taxes paid by those in the $5,000 to $50,000 range thus becomes 76.5, thus illustrating the point occasionally made that confiscating all incomes above $50,000 would run the Government a matter of 2 or 3 months, at best.

Nevertheless, Mr. Chairman, the overall tax burden shouldered by all our taxpaying citizens must be eased—its growth at least sharply restrained against the day when, hopefully, our burden of "defense" spending can be lightened. The need for restraint in this body, in approving both authorizations and appropriations, therefore remains vital—and no Congress has, in recent times, faced a greater challenge than we do in this respect, particularly when the need for controlling the near-uncontrollable inflationary pressures our economy reflects is made a proper component of that challenge.

Finally, Mr. Chairman, in this overall context there is, I believe, a considerable amount of valuable information that could be of interest to anyone concerned as to how the Bureau of the Budget fits into this picture. That portion of our hearings begins on page 273 of part 3 thereof, and I call it to my colleagues' attention.

Perhaps of especial interest to some will be the discussion we had with representatives of the Bureau over the kind of review it attempts to give, annually, to the defense budget. This has been a matter of growing concern to some of us, and should be of concern to all of us since defense spending—in overall dollar terms—represents about 40 percent of the overall Federal budget. The current public worry about the "uncontrollable" nature of defense spending is, in part, a reaction to our frustrating experience in Vietnam, but, if objectively reflected in Congress, can also turn out to be a very healthy thing. And this, too, Mr. Chairman, is one of our present challenges.

Mr. WOLFF. Mr. Chairman, I am gratified that the appropriation for the Treasury Department for the fiscal year 1970 contains a relaxation on hiring limitations imposed last year. I am particularly concerned that the additional funds provided to the Department be used in part to increase the staff of inspectors in the Bureau of Customs.

This concern stems from my familiarity with a major problem involving foreign imports through John F. Kennedy International Airport in New York. There is a grave situation at this airport, which I recently visited to study the matter firsthand, resulting from inadequate procedures in handling incoming foreign shipments.

This problem has resulted in lost shipments, excessive delays, high rates of pilferage, damage to merchandise, and other difficulties that ensue from the confusion surrounding imported goods. This problem is having a highly negative impact on importers, American merchants and is seriously hurting our balance of trade by slowing our exportation through Kennedy Airport.

I am in the midst of a study of the problems of air cargo delays at the airport and am convinced that one of the contributing factors is the shortage of Customs inspectors at the airport. I am told by the Bureau of Customs that this is directly related to the manpower reductions ordered last year.

Therefore, I urge most emphatically that the increased funds to be provided to the Treasury Department be used as necessary to place sufficient numbers of Customs inspectors at Kennedy Airport to accommodate the high volume of imported goods received there. The delays in moving goods from the airport is hurting American business and to permit this situation to continue is bad business from every possible perspective.

I trust that the Treasury Department and Customs Bureau will act in good faith to use these additional moneys to bring Customs service at Kennedy Airport and other overtaxed facilities up to the proper level. To do anything less would be to misuse the funds contained in the appropriation before us today.

The CHAIRMAN. There being no further requests for time, the Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Treasury and Post Office Departments, the Executive Office of the President, and certain independent agencies, for the fiscal year ending June 30, 1970, and for other purposes.

Mr. CONTE (during the reading). Mr. Chairman, I ask unanimous consent that the bill be considered as read and open to amendment at any point.

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

There was no objection.

AMENDMENT OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SMITH of Iowa: On page 17, after line 8, insert the following:

"SEC. 504. Provided, That no part of the funds appropriated by this Act shall be used to pay more than $20,000 for aggregate costs exceeding revenues which result from providing postal service for any distributor of second class mail."

The CHAIRMAN. The gentleman from Iowa is recognized for 5 minutes.

Mr. SMITH of Iowa. Mr. Chairman, this is really a simple amendment.

Mr. CONTE. Mr. Chairman——

The CHAIRMAN. For what purpose does the gentleman from Massachusetts rise?

Mr. CONTE. I reserve a point of order to the amendment.

Mr. SMITH of Iowa. The reservation comes too late. I object.

The CHAIRMAN. The Chair is of the opinion that the request of the gentleman from Massachusetts comes a little too late. The gentleman from Iowa is proceeding.

Mr. SMITH of Iowa. Mr. Chairman, the amendment is really simple. All it does is to limit to $20,000 the subsidy for any one distributor of a newspaper or magazine. It is a kind of technical amendment. Technically, it brings into line this bill with the agriculture bill as amended by the Conte amendment. As a matter of fact, I do not really claim to be the author of the amendment completely. All I did was copy the Conte amendment. So this is really the Conte-Smith amendment to this bill to bring it into line with the agriculture bill. I took to heart what the gentleman from Indiana said. He quoted the Chicago Tribune here with approval for a limitation on farmers, so I would assume surely both Mr. MADDEN and the Chicago Tribune would be for the amendment. This is about as broad a spectrum as we could get for any kind of amendment.

I was not for the other amendment, but the House spoke. It said, the House does not want to give any more than $20,000 in subsidies for any producer of goods and services in this country as reimbursement or subsidy. Mr. CONTE said—and I do not remember the exact words—but it was something to the effect that anything over $20,000 is really welfare. So I took that statement to heart. I really do not think that there is any great need for debate on the amendment. All the Members need to do is to insert in the RECORD the identical speeches they made on the other Conte amendment. It is the same issue.

So, my friends, I urge you to support the Conte-Smith amendment.

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

Mr. SMITH of Iowa. I yield to the gentleman from Massachusetts.

Mr. CONTE. Mr. Chairman, of course I never said what the gentleman from Iowa just said I did.

But I am very interested in this amendment. I am against subsidies per se, so I am interested. Can the gentleman give me some figures on what we are paying out in subsidies in this area?

Mr. SMITH of Iowa. I have not done all the research, but I think it is more than $13 million.

Mr. CONTE. Does the gentleman have

any figures or names of publishers who might get subsidies and how much they are getting, so I can intelligently vote on the amendment.

Mr. SMITH of Iowa. To use the argument used earlier, how can we hurt anybody if all we are doing is hurting those over $20,000?

Mr. CONTE. Does the gentleman know what the New York Times gets?

Mr. SMITH of Iowa. I do not know exactly, but if it is more than $20,000, they would be covered.

Mr. CONTE. Maybe no one is covered at all.

Mr. SMITH of Iowa. Then it will not do any harm.

Mr. CONTE. Then the amendment offered by the gentleman is redundant and there is no use cluttering up the law books with the amendment. Furthermore, in regard to the amendment I offered on the farm bill which limits subsidies to $20,000 per farm operation, those are direct payments to a farmer. He is paid by the Federal Government not to plant crops. In this case, there is no direct payment to users of second-class mail. The subsidy would come in by charging him lower rates and, therefore, if the gentleman wants to end this, what we should do is raise the rate for second-class mail users and he will find that he will have my support. Unfortunately, his amendment is facetious and unworkable.

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

Mr. Chairman, I am not one who sponsored the prior $20,000 amendment referred to.

In regard to the amendment now before the Committee, may I say a great many things could result from the adoption of this particular amendment that I doubt very many would be in favor of or aware of. We might be doing many things here that we did not intend to do. For instance, we could get involved in a complete upheaval of the cost accounting system used by the Department. I am not sure they can pin down anything as specific as the subsidy for a given publisher. If we could do that, we might have a lot of the second-class mailings of libraries that might be crippled. I know some religious institutions might be crippled. A great many other worthy types of activities covered by this class of mail could be in great danger.

I think everybody understands what is going on, and I hope in terms of the well-being of the postal service, this amendment is not agreed to. I hope it is defeated.

Mr. WAGGONNER. Mr. Chairman, I move to strike the requisite number of words. Mr. Chairman, I take this time to ask some member of the committee—perhaps the gentleman from Massachusetts (Mr. CONTE) would be the desirable member—if he could tell me whether or not the committee has gone into a detailed study of the subsidies that do accrue to publishers who are users of the mail?

Mr. CONTE. As the gentleman from Louisiana shoved his foot into it yesterday about a sugar refinery in my district, he has done it again.

Mr. WAGGONNER. I knew the gentleman did not have the refinery.

Mr. CONTE. Again the gentleman has shoved his foot in it, because I did go into the details. If the gentleman will look at approximately page 429—and I commend the gentleman to read the hearings—I certainly went after the information. I pointed out that it cost about 8 cents to send a Reader's Digest whereas a first-class mailer sending a letter weighing the same number of ounces would have had to pay 48 cents.

Of course, we are the appropriating committee and not the legislative committee. But in the record the gentleman can see where I asked questions of the Department, and I was very upset about this. The only way we can tackle this is to have a bill to increase the rates. Let us get a bill out of the legislative committee and see where the chips fall.

Mr. WAGGONNER. I think we can already see where the chips fall. The shoe is on the other foot for the gentleman now.

Mr. CONTE. The gentleman cannot compare the two things. The gentleman cannot compare apples and oranges.

Mr. WAGGONNER. I realize there is a great deal of difference, except the shoe is on the other foot.

Mr. CONTE. If the gentleman comes up with something fair and equitable, I will support him. The gentleman knows that.

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

Mr. WAGGONNER. I yield to the gentleman from Nebraska.

Mr. CUNNINGHAM. Mr. Chairman, I am on the legislative committee. The second-class mailers, which are newspapers and magazines, are the ones that are being highly subsidized among all the various types of mail users. During our hearings on the last rate bill, it was estimated that the Wall Street Journal—which is not delivered by carrier boy, but comes through the mails or can be bought on newsstands—is subsidized to the extent of approximately $10 million. And the newspapers and the magazines which go through the mails are not only subsidized but they get what we call "red tag" treatment; in other words, first-class treatment. So there is a big subsidy.

I did not hear the amendment in its entirety.

Mr. WAGGONNER. Is that the same sort of first-class treatment that is referred to, that the average farmer got, a little earlier today?

Mr. CUNNINGHAM. I would not comment on that.

Mr. WAGGONNER. Mr. Chairman, I should like to ask another question of the gentleman from Massachusetts (Mr. CONTE). If I remember correctly, in the question he asked the gentleman from Iowa (Mr. SMITH), he asked if he had conducted studies and could produce some information as to what these studies revealed in the way of subsidies and said he would be willing to give consideration to it. It seems he has that information at hand.

Has the gentleman been withholding it from us?

Mr. CONTE. No, I am not withholding it. I commended to the gentleman the reading of the hearings. I am sure he can read. He asked me a question, and I tried intelligently to answer the question which he propounded. Unfortunately, the gentleman has not done his homework on this bill and has not read the hearings, because he would have known that on page 430 of the hearings, part 1 on the Post Office, I asked the question. I will start here.

Mr. EDEN. I am reasonably sure it would be in excess of that on a fully allocated basis.

Mr. HARGROVE. However, there is variation, undoubtedly, in the cost coverage as it relates to the weight of the magazine.

Mr. WAGGONNER. Let us get one thing straight. I have done my homework. I have read it. I just wanted to point out to the gentleman and to the House that the gentleman was trying to delude the House when he tried to lead the gentleman from Iowa (Mr. SMITH) in producing information which he had all this time. I have only one thing in mind and that is to point out to the House the inconsistency of the gentleman's position. Why do you take one position on the farm legislation and another here?

Mr. CONTE. I can tell the gentleman something. I did not try to delude anyone. You have control over there at the committee, and you can do anything you want. This is not the way to do it. The way to do it is to increase second-class rates. When you come out with legislation to do that, I will certainly go along with you.

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

Mr. Chairman, there has been some statement on the floor to the effect that our President has sent a message here that he wants fair rates, but I submit that is not his message of a few weeks ago. Then he recommended the same old system, the system apparently Mr. CONTE contends for giving, what Mr. CUNNINGHAM says is a "red tag" treatment.

This is second-class mail. The fact is that the Reader's Digest does not move for 8 cents. It moves for 2 cents apiece. The subsidy of the Reader's Digest is far bigger than the subsidy for the Wall Street Journal.

I am sure that there is no subsidy of $20,000 to any county weekly. We are not going to be bothering any county weekly, and very few dailies in this country would be affected by the recommendation of the gentleman from Iowa (Mr. SMITH), or by his amendment.

I welcome this discussion, because I am chairman of the Subcommittee on Postal Rates. I wish more people would get in the act of helping determine what are going to be fair rates. How big is the subsidy going to be for the various classes of mail?

Now, this is not going to affect anything but second class. The Members can suit themselves. If they believe this provision of prohibiting more than a

$20,000 subsidy to any part of the second-class mail will hurt anybody, they can just think it over. It is not going to affect any county weekly, and very few dailies.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa (Mr. SMITH).

The question was taken; and, on a division (demanded by Mr. WAGGONNER) there were—ayes 40, noes 24.

So the amendment was agreed to:

AMENDMENT OFFERED BY MR. WRIGHT

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

The Clerk read as follows:

Amendment was offered by Mr. WRIGHT: On page 5, line 13, replace the period with a semicolon, and add the follwing: *"Provided, however,* That no part of such funds may be used to pay rewards to income tax informers."

Mr. WRIGHT. Mr. Chairman, this is the amendment to which I made reference earlier. I do not think it requires lengthy debate. I expect every Member of the House knows his personal reaction to a practice within our Government which lures one citizen to spy on another citizen under the premise of personal reward. I think every Member knows how he feels about whether or not it is compatible with our form of Government and our form of society for the Government to encourage certain citizens to become professional informers.

I think every Member knows whether it squares with his sense of justice for some citizens, out of spite or avarice or malice or greed, to go to the Government under the cloak of immunity, denying their accused the right of facing his accuser or knowing the identity of his accuser. So I think every Member knows whether he approves of this practice or not.

I would call the attention of the House to the fact that my amendment applies only to paid income tax informers. It does not go to the broader and harder crimes of narcotics or gambling. It simply applies to one neighbor who wants to go to the Government and put the finger on another neighbor and walk away with a part of the loot.

I do not believe that is compatible with our society, with our sense of straightforwardness and with our way of life. I ask that those who do feel as I do support this amendment.

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

This is a tool that this agency has had for many, many years and one that has been used sparingly but well. It is one that all of the Government law-enforcement agencies have and must have. With the new program of organized crime task force activities which is just coming into being, it seems to me that the need for this sort of device would be greater than ever. As I analyze this amendment I am unable to see in my mind where anyone on earth could benefit by the adoption of it except somebody who wanted to avoid paying his taxes. I do not think any of us want to be on the side of the tax dodgers. Therefore I urge the defeat of the amendment.

Mr. BURLISON of Missouri. Mr. Chairman, will the gentleman yield for a question?

Mr. STEED. I am happy to yield to the gentleman.

Mr. BURLISON of Missouri. Could the chairman tell us, sir, how much revenue this method or scheme of tax collection brings in to the Treasury each year?

Mr. STEED. The highest year of payout that they told us about was about a half million dollars. Sometimes it is as low as $100,000.

This can sometimes return several millions of dollars. A lot of the tips of this sort which they receive are from people who are more interested in spite than they are money and there is no way you can solve that.

Mr. BURLISON of Missouri. Mr. Chairman, if the gentleman will yield further, in view of that last statement, can the gentleman from Oklahoma tell us how much money is used and expended in following up this type of investigation? If it brought in $1 million or $100,000, how much does it cost to go after it and follow up on it?

Mr. STEED. They had about 55,000 leads of all sorts this year on all sorts of possible tax evasion and they followed up on all of them that they could. They receive many leads on tax evasion and as a matter of policy they have to check them out. I think the total was possibly 55,000 leads.

Mr. BURLISON of Missouri. I appreciate the gentleman's yielding but I would say from the evidence he has presented, certainly there is no justification for this type of scheme to try to collect taxes.

Mr. STEED. Well, if the gentleman wants the people charged with the responsibility of collecting taxes and enforcing the laws to have all the tools they need to apprehend those who are interested in dodging taxes, he should not be opposed to this.

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

Mr. Chairman, I would like to point out that there is a great deal of money in this bill that is part of the administration's overall campaign against organized crime. This money is primarily in the budgets of Secret Service, Customs, and the Internal Revenue Service. I might also add that we collected about $11 million last year as a result of the informer system. I certainly sympathize with what the gentleman is trying to do but I feel this system is essential to our fight against organized crime. Most of the tips IRS receives are about the organized criminal elements that are escaping payment of Federal taxes. I think that anything which hurt this effort would do serious injury to the campaign against crime. I repeat, I sympathize with the gentleman's idea. But I must rise in opposition to the amendment because the fight against crime must not be reduced at this time.

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

Mr. CONTE. I am glad to yield to the chairman of the committee.

Mr. MAHON. Does the gentleman feel that there is possibly a relationship here involving the dope traffic, narcotics, and so forth?

Mr. CONTE. If we did not rely on tips the Narcotics Department which is now a part of the Department of Justice—if they could not rely upon tipsters, they would not get a large segment of their cases also in reference to mail fraud and so forth.

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

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

Mr. WRIGHT. The gentleman is aware, is he not, that my amendment simply prohibits the paying of a reward to an income tax informer. It does not have anything to do with the smuggling of narcotics or organized crime. It does not have anything to do with gambling operations. All it would prohibit is a citizen who goes in and tries to get a reward from his Government because he put his finger on his neighbor for a possible income tax evasion. The amendment has no bearing whatever with reference to narcotics. My amendment does not go to that. My amendment would simply prohibit the use of these paid informers for squealing on their neighbors in the hope that they will get paid for it. If they want to go and tell on someone who has done wrong, they can do it as a matter of civic duty. But if they act as the result of what they feel to be their civic duty, they do not and should not expect to receive a reward for it.

Mr. CONTE. It does have a lot to do with organized crime.

I wish there was more that I could divulge here, but it has a great deal to do with organized crime, and could have something to do with the narcotic peddlers and such who are making a buck through illicit means, and who do not pay an income tax. It could be somebody who is running a prostitution ring, and who is not paying an income tax, and someone tips them off on him and is paid for that tip.

Most of this comes into play in the hard, organized crime field.

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

Mr. Chairman, I would just like to ask the gentleman from Massachusetts if he would accept an amendment that would say that no informer could get over $20,000 for anyone he turns in?

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. WRIGHT).

The question was taken; and on a division (demanded by Mr. WRIGHT) there were—ayes 43, noes 45.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. GROSS

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

The Clerk read as follows:

Amendment offered by Mr. GROSS: On page 7, line 18, following the word "services", insert the following: "of not to exceed ten experts and consultants".

Mr. GROSS. Mr. Chairman, H.R. 11582, the appropriations bill for the Post Office Department, on page 7, lines

18 and 19, provides for the employment of an unlimited number of experts and consultants.

The purpose of my amendment is to limit the number of these so-called experts and consultants to a total of 10.

Many Members of the House have had unpleasant experiences with respect to the new system inaugurated by the Postmaster General in connection with the appointment of selection boards for postmasters and rural carriers.

The complicated procedure, as I understand it, calls for the appointment of 15 regional management selection boards for postmasters, plus a national management selection board to select postmasters for the 400 largest post offices in the United States. Three of the five members of the 15 regional boards and two of the five members of the national board are to be experts or consultants.

The expert, or consultant members, of these boards are unfamiliar with the cities, towns, and communities where postmasters and rural carriers are to be appointed. It is my view that it is unnecessary to have experts and consultants as members of these boards and that a better selection procedure can be achieved through the use of full-time postal employees who are completely familiar with the requirements of the position of postmaster and rural carrier.

In addition, the Postmaster General has installed so-called consultants as regional directors in the 15 postal regions. They are learning the functions and activities of the postal service from career employees. I do not believe the position of regional director should be used as a training ground for the future managers of the postal service.

All of this activity by the Postmaster General in appointing experts and consultants to positions in the postal service which were formerly occupied by careeer postal employees is not only a disservice to the American people but also violates every good personnel practice in connection with the promotion of career postal employees.

It is my view that the use of experts and consultants by the Postmaster General has been excessive and I think it should stop. Surely by the beginning of the next fiscal year the Postmaster General will have had sufficient time to know what he needs in the way of management personnel on a full-time basis. I do not believe that my amendment to this appropriations bill will be a hardship on the Postmaster General.

My amendment simply provides that the Postmaster General may appoint from time to time not more than 10 experts or consultants. This will reduce the number presently employed by the Post Office Department.

I hope the Members will support my amendment.

Mr. STEED. Mr. Chairman, however good the motives may be for this amendment, I think we should take into account that we do have a new regime in the Post Office Department. The new Postmaster General is currently in the process of reorganizing and restructuring the regional and administrative facilities of the Post Office Department.

It has been my observation that he has been very prudent and very frugal in his approach to this.

Since no funds are involved here and since the only effect of this would be to put some limitations upon his ability to use his best judgment in trying to work out this problem, I do not think that any gain which you could hope for would offset the harm that might result. I think we ought at least be fair enough to the man who is taking on these responsibilities to leave him as much leeway as we can in trying to work out new policies and new procedures that he wants to bring to the Post Office Department.

I believe he is on the right track. I have confidence in him. I think he is trying to improve things and I do not believe we will be overlooking any good bets here if we defeat this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa (Mr. GROSS).

The amendment was rejected.

Mr. STEED. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. DENT, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 11582) making appropriations for the Treasury and Post Office Departments, the Executive Office of the President, and certain independent agencies, for the fiscal year ending June 30, 1970, and for other purposes, had directed him to report the bill back to the House, with an amendment, with the recommendation that the amendment be agreed to and that the bill, as amended, do pass.

Mr. STEED. Mr. Speaker, I move the previous question on the bill and the amendment thereto to final passage.

The previous question was ordered.

The SPEAKER. The question is on the amendment.

The question was taken.

Mr. STEED. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

Mr. GERALD R. FORD. Mr. Speaker, a parliamentary inquiry for a point of information.

The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. GERALD R. FORD. What amendment is the vote upon?

The SPEAKER. The so-called Smith amendment, the amendment offered by the gentleman from Iowa (Mr. SMITH).

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

The question was taken; and there were—yeas 99, nays 240, not voting 93, as follows:

[Roll No. 68]

YEAS—99

Abbitt	Fulton, Pa.	Olsen
Abernethy	Fuqua	O'Neal, Ga.
Alexander	Gallagher	Passman
Andrews, Ala.	Gray	Pickle
Andrews, N. Dak.	Green, Oreg.	Pryor, Ark.
Ashbrook	Griffin	Quie
Bennett	Gubser	Rarick
Bevill	Hagan	Reuss
Blanton	Haley	Roberts
Brasco	Hall	Robison
Brinkley	Hays	Rogers, Colo.
Broomfield	Henderson	Rogers, Fla.
Burke, Fla.	Hosmer	Rooney, Pa.
Burlison, Mo.	Hull	Satterfield
Cabell	Jacobs	Saylor
Caffery	Jarman	Sikes
Casey	Joelson	Smith, Iowa
Chappell	Johnson, Calif.	Snyder
Clark	Jones, N.C.	Staggers
Clay	Karth	Stuckey
Collins	Kastenmeier	Sullivan
Cunningham	Landrum	Symington
Daniel, Va.	Lennon	Teague, Calif.
Davis, Ga.	Long, La.	Teague, Tex.
Dorn	McMillan	Ullman
Dowdy	Madden	Utt
Findley	Michel	Vanik
Flowers	Miller, Ohio	Vigorito
Flynt	Mills	Waggonner
Foley	Montgomery	Watts
Ford, William D.	Nichols	Wright
Fountain	Obey	Zablocki
	O'Hara	Zwach
	O'Konski	

NAYS—240

Adair	Denney	Kee
Adams	Dennis	Keith
Addabbo	Dent	King
Albert	Derwinski	Kleppe
Anderson, Ill.	Devine	Kluczynski
Anderson, Tenn.	Dickinson	Koch
Annunzio	Donohue	Kyros
Arends	Downing	Landgrebe
Aspinall	Duncan	Langen
Ayres	Eckhardt	Leggett
Barrett	Edwards, Ala.	Lipscomb
Beall, Md.	Ellberg	Lloyd
Belcher	Erlenborn	Lowenstein
Betts	Eshleman	Lujan
Biaggi	Farbstein	Lukens
Biester	Fascell	McCarthy
Blackburn	Feighan	McClory
Boggs	Fish	McCloskey
Boland	Flood	McCulloch
Bolling	Ford, Gerald R.	McDade
Bow	Frelinghuysen	McEwen
Brademas	Frey	McFall
Bray	Friedel	McKneally
Brock	Fulton, Tenn.	Mahon
Brooks	Galifianakis	Mailliard
Brotzman	Garmatz	Mann
Brown, Mich.	Gaydos	Marsh
Brown, Ohio	Giaimo	Mathias
Broyhill, Va.	Gilbert	Matsunaga
Buchanan	Gonzalez	May
Burke, Mass.	Goodling	Mayne
Burton, Utah	Green, Pa.	Meeds
Bush	Gross	Meskill
Button	Grover	Miller, Calif.
Byrne, Pa.	Halpern	Minish
Byrnes, Wis.	Hamilton	Mink
Camp	Hammer-schmidt	Minshall
Celler	Hanley	Mizell
Chamberlain	Hanna	Mollohan
Clancy	Hansen, Idaho	Monagan
Clausen, Don H.	Hansen, Wash.	Moorhead
Cleveland	Harsha	Morgan
Cohelan	Harvey	Morse
Collier	Hastings	Moss
Conable	Hathaway	Murphy, Ill.
Conte	Hechler, W. Va.	Murphy, N.Y.
Coughlin	Heckler, Mass.	Myers
Cramer	Hicks	Natcher
Culver	Hogan	Nedzi
Daddario	Horton	Nelsen
Daniels, N.J.	Howard	Nix
Davis, Wis.	Hutchinson	O'Neill, Mass.
Dawson	Ichord	Ottinger
Delaney	Johnson, Pa.	Patten
Dellenback	Jonas	Pelly
	Kazen	Pepper
		Perkins

Philbin	Ryan	Tunney
Pike	St Germain	Udall
Pirnie	St. Onge	Van Deerlin
Poage	Schadeberg	Waldie
Podell	Schneebeli	Watkins
Poff	Schwengel	Watson
Preyer, N.C.	Scott	Weicker
Price, Ill.	Sebelius	Whalen
Price, Tex.	Shipley	Whalley
Pucinski	Shriver	White
Purcell	Sisk	Whitehurst
Quillen	Skubitz	Widnall
Railsback	Slack	Williams
Reid, Ill.	Smith, Calif.	Wilson,
Reid, N.Y.	Smith, N.Y.	Charles H.
Rhodes	Stafford	Winn
Riegle	Stanton	Wolff
Rodino	Steed	Wyatt
Ronan	Steiger, Ariz.	Wydler
Rooney, N.Y.	Steiger, Wis.	Wylie
Rosenthal	Stokes	Yates
Rostenkowski	Taft	Yatron
Roth	Talcott	Zion
Ruppe	Taylor	
Ruth	Thompson, N.J.	

NOT VOTING—93

Anderson, Calif.	Esch	Mikva
Ashley	Evans, Colo.	Mize
Baring	Evins, Tenn.	Morton
Bates	Fallon	Mosher
Bell, Calif.	Fisher	Patman
Berry	Foreman	Pettis
Bingham	Fraser	Pollock
Blatnik	Gettys	Powell
Brown, Calif.	Gibbons	Randall
Broyhill, N.C.	Goldwater	Rees
Burleson, Tex.	Griffiths	Reifel
Burton, Calif.	Gude	Rivers
Cahill	Hawkins	Roudebush
Carey	Hébert	Roybal
Carter	Helstoski	Sandman
Cederberg	Holifield	Scherle
Chisholm	Hungate	Scheuer
Clawson, Del	Hunt	Springer
Colmer	Jones, Ala.	Stephens
Conyers	Jones, Tenn.	Stratton
Corbett	Kirwan	Stubblefield
Corman	Kuykendall	Thompson, Ga.
Cowger	Kyl	Thomson, Wis.
de la Garza	Latta	Tiernan
Diggs	Long, Md.	Vander Jagt
Dingell	McClure	Wampler
Dulski	McDonald, Mich.	Whitten
Dwyer	Macdonald, Mass.	Wiggins
Edmondson	MacGregor	Wilson, Bob
Edwards, Calif.	Martin	Wold
Edwards, La.	Mikva	Wyman
		Young

So the amendment was rejected.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Bob Wilson.
Mr. Burleson of Texas with Mr. Latta.
Mr. Kirwan with Mr. Corbett.
Mr. Macdonald of Massachusetts with Mr. Morton.
Mr. Patman with Mr. Springer.
Mr. Evins of Tennessee with Mr. Pollock.
Mr. Gettys with Mr. Berry.
Mr. Rivers with Mr. Bates.
Mr. Young with Mr. Martin.
Mr. Edmondson with Mr. Gude.
Mr. Blatnik with Mr. Cahill.
Mr. Burton of California with Mr. Wiggins.
Mrs. Griffiths with Mr. Vander Jagt.
Mr. Anderson of California with Mr. Goldwater.
Mr. Corman with Mr. Del Clawson.
Mr. Edwards of Louisiana with Mr. McClure.
Mr. Hawkins with Mr. Bell of California.
Mr. Whitten with Mr. Thomson of Wisconsin.
Mr. Stratton with Mrs. Dwyer.
Mr. Stephens with Mr. Foreman.
Mr. Holifield with Mr. Cederberg.
Mr. Dulski with Mr. Roudebush.
Mr. Carey with Mr. Mize.
Mr. Hungate with Mr. Broyhill of North Carolina.
Mr. Brown of California with Mr. Thompson of Georgia.
Mr. Ashley with Mr. Esch.
Mr. Randall with Mr. Carter.
Mr. Colmer with Mr. Wampler.
Mr. Roybal with Mr. Scherle.
Mr. Stubblefield with Mr. Cowger.
Mr. Helstoski with Mr. Wold.
Mr. Bingham with Mr. Sandman.
Mr. de la Garza with Mr. Kuykendall.
Mr. Conyers with Mr. Powell.
Mr. Rees with Mr. Reifel.
Mr. Scheuer with Mr. Mosher.
Mr. Jones of Tennessee with Mr. MacGregor.
Mr. Jones of Alabama with Mr. Fraser.
Mr. Baring with Mr. Kyl.
Mr. Dingell with Mr. McDonald of Michigan.
Mr. Edwards of California with Mr. Pettis.
Mr. Evans of Colorado with Mr. Wyman.
Mr. Fallon with Mr. Hunt.
Mr. Mikva with Mr. Long of Maryland.
Mr. Tiernan with Mr. Gibbons.
Mr. Diggs with Mrs. Chisholm.

Mr. ARENDS, Mr. DOWNING, Mr. ADAIR, Mr. DUNCAN, and Mr. BLACKBURN changed their votes from "yea" to "nay."

The result of the vote was announced as above recorded.

The doors were opened.

The SPEAKER. The question is on the passage of the bill.

Mr. HALL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 326, nays 6, not voting 100, as follows:

[Roll No. 69]

YEAS—326

Abbitt	Chappell	Fuqua
Abernethy	Clancy	Galifianakis
Adair	Clark	Gallagher
Adams	Clausen,	Garmatz
Addabbo	Don H.	Gaydos
Albert	Clay	Giaimo
Alexander	Cleveland	Gilbert
Anderson, Ill.	Cohelan	Gonzalez
Anderson,	Collier	Goodling
Tenn.	Collins	Gray
Andrews, Ala.	Conable	Green, Oreg.
Andrews,	Conte	Green, Pa.
N. Dak.	Coughlin	Grover
Annunzio	Cramer	Gubser
Arends	Culver	Hagan
Aspinall	Cunningham	Haley
Ayres	Daddario	Halpern
Baring	Daniel, Va.	Hamilton
Barrett	Daniels, N.J.	Hammer-
Beall, Md.	Davis, Ga.	schmidt
Belcher	Davis, Wis.	Hanley
Bennett	Dawson	Hanna
Betts	Delaney	Hansen, Idaho
Bevill	Dellenback	Hansen, Wash.
Biaggi	Denney	Harvey
Biester	Dennis	Hastings
Blackburn	Dent	Hathaway
Blanton	Devine	Hays
Boggs	Dickinson	Hechler, W. Va.
Boland	Donohue	Heckler, Mass.
Bolling	Dorn	Henderson
Bow	Dowdy	Hicks
Brademas	Downing	Hogan
Brasco	Duncan	Horton
Bray	Eckhardt	Hosmer
Brinkley	Edwards, Ala.	Howard
Brock	Eilberg	Hull
Brooks	Erlenborn	Hutchinson
Broomfield	Eshleman	Ichord
Brotzman	Farbstein	Jacobs
Brown, Mich.	Fascell	Jarman
Brown, Ohio	Feighan	Joelson
Broyhill, Va.	Findley	Johnson, Calif.
Buchanan	Fish	Johnson, Pa.
Burke, Fla.	Fisher	Jonas
Burke, Mass.	Flood	Jones, N.C.
Burlison, Mo.	Flowers	Karth
Bush	Foley	Kastenmeier
Button	Ford, Gerald R.	Kazen
Byrne, Pa.	Ford,	Kee
Byrnes, Wis.	William D.	Keith
Cabell	Fountain	King
Caffery	Frelinghuysen	Kleppe
Camp	Frey	Kluczynski
Casey	Friedel	Koch
Celler	Fulton, Pa.	Kyros
Chamberlain	Fulton, Tenn.	Landgrebe
Langen	Olsen	Sikes
Leggett	O'Neal, Ga.	Sisk
Lennon	O'Neill, Mass.	Skubitz
Lipscomb	Ottinger	Slack
Lloyd	Patten	Smith, Calif.
Long, La.	Pelly	Smith, Iowa
Lowenstein	Pepper	Smith, N.Y.
Lujan	Perkins	Snyder
Lukens	Philbin	Stafford
McCarthy	Pickle	Staggers
McClory	Pike	Stanton
McCloskey	Pirnie	Steed
McCulloch	Poage	Steiger, Ariz.
McDade	Podell	Steiger, Wis.
McEwen	Poff	Stokes
McFall	Preyer, N.C.	Stuckey
McKneally	Price, Ill.	Symington
McMillan	Price, Tex.	Taft
Madden	Pryor, Ark.	Talcott
Mahon	Pucinski	Taylor
Mailliard	Purcell	Teague, Tex.
Mann	Quie	Thompson, N.J.
Marsh	Quillen	Tunney
Mathias	Railsback	Udall
Matsunaga	Rarick	Ullman
May	Reid, Ill.	Utt
Mayne	Reid, N.Y.	Van Deerlin
Meeds	Reuss	Vanik
Meskill	Rhodes	Vigorito
Michel	Riegle	Waggonner
Miller, Calif.	Roberts	Waldie
Miller, Ohio	Robison	Watkins
Mills	Rodino	Watson
Minish	Rogers, Colo.	Watts
Mink	Rogers, Fla.	Weicker
Minshall	Ronan	Whalen
Mizell	Rooney, N.Y.	Whalley
Mollohan	Rooney, Pa.	White
Monagan	Rosenthal	Whitehurst
Montgomery	Rostenkowski	Widnall
Moorhead	Roth	Williams
Morgan	Ruppe	Winn
Morse	Ruth	Wolff
Moss	Ryan	Wright
Murphy, Ill.	St Germain	Wyatt
Murphy, N.Y.	St. Onge	Wydler
Myers	Satterfield	Wylie
Natcher	Schadeberg	Yates
Nedzi	Schneebeli	Yatron
Nelsen	Schwengel	Zablocki
Nichols	Scott	Zion
Nix	Sebelius	Zwach
Obey	Shipley	
O'Hara	Shriver	

NAYS—6

Ashbrook	Gross	O'Konski
Derwinski	Hall	Saylor

NOT VOTING—100

Anderson, Calif.	Fallon	Mosher
Ashley	Flynt	Passman
Bates	Foreman	Patman
Bell, Calif.	Fraser	Pettis
Berry	Gettys	Pollock
Bingham	Gibbons	Powell
Blatnik	Goldwater	Randall
Brown, Calif.	Griffin	Rees
Broyhill, N.C.	Griffiths	Reifel
Burleson, Tex.	Gude	Rivers
Burton, Calif.	Harsha	Roudebush
Burton, Utah	Hawkins	Roybal
Cahill	Hébert	Sandman
Carey	Helstoski	Scherle
Carter	Holifield	Scheuer
Cederberg	Hungate	Springer
Chisholm	Hunt	Stephens
Clawson, Del	Jones, Ala.	Stratton
Colmer	Jones, Tenn.	Stubblefield
Conyers	Kirwan	Sullivan
Corbett	Kuykendall	Teague, Calif.
Corman	Kyl	Thompson, Ga.
Cowger	Landrum	Thomson, Wis.
de la Garza	Latta	Tiernan
Diggs	Long, Md.	Vander Jagt
Dingell	McClure	Wampler
Dulski	McDonald,	Whitten
Dwyer	Mich.	Wiggins
Edmondson	Macdonald,	Wilson, Bob
Edwards, Calif.	Mass.	Wilson,
Edwards, La.	MacGregor	Charles H.
Esch	Martin	Wold
Evans, Colo.	Mikva	Wyman
Evins, Tenn.	Mize	Young
	Morton	

So the bill was passed.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Bob Wilson.
Mr. Burleson of Texas with Mr. Latta.
Mr. Kirwan with Mr. Corbett.

Mr. Macdonald of Massachusetts with Mr. Morton.
Mr. Patman with Mr. Springer.
Mr. Evins of Tennessee with Mr. Pollock.
Mr. Gettys with Mr. Berry.
Mr. Rivers with Mr. Bates.
Mr. Young with Mr. Martin.
Mr. Edmondson with Mr. Gude.
Mr. Blatnik with Mr. Cahill.
Mr. Burton of California with Mr. Wiggins.
Mrs. Griffiths with Mr. Vander Jagt.
Mr. Anderson of California with Mr. Goldwater.
Mr. Corman with Mr. Del Clawson.
Mr. Edwards of Louisiana with Mr. McClure.
Mr. Hawkins with Mr. Bell of California.
Mr. Whitten with Mr. Thomson of Wisconsin.
Mr. Stratton with Mrs. Dwyer.
Mr. Stephens with Mr. Foreman.
Mr. Holifield with Mr. Cederberg.
Mr. Dulski with Mr. Roudebush.
Mr. Carey with Mr. Mize.
Mr. Hungate with Mr. Broyhill of North Carolina.
Mr. Brown of California with Mr. Thompson of Georgia.
Mr. Ashley with Mr. Esch.
Mr. Randall with Mr. Carter.
Mr. Colmer with Mr. Wampler.
Mr. Roybal with Mr. Scherle.
Mr. Stubblefield with Mr. Cowger.
Mr. Helstoski with Mr. Wold.
Mr. Bingham with Mr. Sandman.
Mr. de la Garza with Mr. Kuykendall.
Mr. Conyers with Mr. Powell.
Mr. Rees with Mr. Reifel.
Mr. Scheuer with Mr. Mosher.
Mr. Jones of Tennessee with Mr. MacGregor.
Mr. Jones of Alabama with Mr. Gibbons.
Mr. Dingell with Mr. Pettis.
Mr. Edwards of California with Mr. Fraser.
Mr. Evans of Colorado with Mr. Wyman.
Mr. Fallon with Mr. Hunt.
Mr. Mikva with Mr. McDonald of Michigan.
Mr. Tiernan with Mr. Kyl.
Mr. Diggs with Mr. Long of Maryland.
Mr. Passman with Mr. Burton of Utah.
Mr. Landrum with Mr. Teague of California.
Mrs. Sullivan with Mr. Harsha.
Mr. Flynt with Mrs. Griffiths.
Mr. Charles H. Wilson with Mrs. Chisholm.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. STEED. Mr. Speaker, I ask unanimous consent that all Members desiring to do so may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore (Mr. GONZALEZ). Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

ADDRESS OF CONGRESSMAN STRATTON OF ASW

(Mr. RIVERS asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. RIVERS. Mr. Speaker, I take great pleasure in calling to the attention of the Members of the House a challenging and forthright address by our colleague, Mr. STRATTON, of New York, delivered before the ASW Advisory Committee of the National Security Industrial Association at the State Department on May 21. Mr. STRATTON, as chairman of our Antisubmarine Warfare Subcommittee, speaks out with special authority on the ASW needs of the Navy and the growing Russian submarine threat. He speaks not with emotional jargon, but with hard facts. We should all take his words to heart.

The address follows:

ADDRESS OF CONGRESSMAN SAMUEL S. STRATTON BEFORE THE ASW ADVISORY COMMITTEE OF THE NATIONAL SECURITY INDUSTRIAL ASSOCIATION, STATE DEPARTMENT, MAY 21, 1969

Mr. Fuller, Mr. Wilder, Admiral Lyle, Admiral Caldwell, Admiral Russell, Admiral Bowen, Admiral Masterson, and ladies and gentlemen of the NSIA ASW Advisory Committee:

I have had the pleasure to meet with this distinguished group both at Key West on two separate occasions and again in San Diego this year. I welcome the chance to speak again, this time at some greater length.

Today we who share an interest in military and naval affairs find ourselves in a very difficult period. It is popular today to assail the military. It makes news. It gets big headlines. Even the Chairman of the House Appropriations Committee took some unexpected swipes at our defense establishment the other day.

In fact, this very afternoon on Capitol Hill we are facing an effort to cut defense appropriations and I dare say we will be facing similar efforts later on in the year. It is probably madness to talk of increasing the defense budget this year, in any respect. It is even unpopular nowadays to talk about the threat, from the Soviets or elsewhere. Yet we must talk about the threat, whether it is popular or not. We must face up to the facts.

Those of us who share some of the responsibility for protecting this nation's security would be derelict in our duty indeed if we were to remain silent when we know we ought to be sounding the tocsin. As Dr. Foster remarked to our Committee the other day, the day has not yet come when key national policy can be set by just taking a vote of Nobel laureates.

In recent days we have been focusing most of our attention on the Soviet threat from the stratosphere and from outer space, in the current nip and tuck debate over the ABM. But I am afraid that in the process we may have largely overlooked an even more ominous increase in Soviet power from inner space, from its greatly increased and greatly improved, and far-wider-ranging modern submarine fleet.

A year ago we suddenly discovered that Soviet submarine progress had reached the point, in 1968, that our experts had not thought they could reach until 1975. Seven years ahead of our best esimates! That was bad enough. But this year the picture is even more frightening. Soviet progress in the speed, the quieting, the development of new and better types, and in the rate of production of their submarines has been nothing short of phenomenal.

Their rate of progress is far ahead of our own, as has been their rate of expenditure on submarine development. Admiral Rickover has estimated that by next year, unless we take dramatic steps to reverse the trend, the Russians will have a clear lead, numberwise and in technical capacity, in the field of nuclear submarines—a field that many of us had long supposed was peculiarly and inevitably American.

Let me just detail some of the current picture, as we have had it presented to our Anti-submarine Warfare Subcommittee.

According to Admiral Rickover the Soviet Navy is a technical marvel. The average age of all our ships is 18 years. On the other hand, 58 percent of the Soviet Navy is under 10 years old, and all of the Soviet Navy has been built since World War II.

The Soviet Navy has 375 submarines, over 65 of these nuclear submarines, compared to our 41 Polaris and 44 nuclear attack submarines. There are over 105 missile submarines in the Soviet Navy compared to our 41. Soviet cruise missiles can be targeted against carriers, naval ships, convoys, cities, airfields and communication bases, depending upon the range. Their ballistic missiles can reach even further.

By 1970 Admiral Rickover estimates the Soviets will have a clear lead over us in nuclear submarines.

The Soviets can build 20 nuclear submarines a year, including 12 of the Polaris type. They have the largest submarine building yard in the world—one of their yards could include all of the U.S. yards, and several times the U.S. yards at that.

Remember, too, that the Soviets are building from a technical base that included 7,000 students in naval architecture and marine engineering in 1966 compared to our 300. They had 184,000 engineers and scientists graduate in 1966 to our 106,000.

Admiral Rickover has also said:

"Numerical superiority, however, does not tell the whole story. Weapons systems, speed, depth, detection devices, quietness of operation, and crew performance all make a significant contribution to the effectiveness of a submarine force. From what we have been able to learn during the past year, the Soviets have attained equality in a number of these characteristics and superiority in some."

Let's not forget either that today the Soviets have 40 ships in the Mediterranean, which represents a very strong threat to our Sixth Fleet. And the Mediterranean does not even border on Soviet territory.

However, most important of all the Soviets give no indication of calling a halt to their naval activities now that they are reaching some level of parity with us. Instead they seem to be even stepping up their pace.

Here are some of the newest facts we have found. The Soviets now have the fastest submarine. They are continuing the dramatic progress we first detected last year in quieting their submarine. Their boats are operating away from their homeland in larger numbers and for longer periods of time. And they are developing new types of submarines.

This progress on the part of the Soviets in submarine development in the past two years presents us, frankly, in my judgment, with a challenge almost as sweeping as the one we faced in 1957 when the first Soviet Sputnik went up. We discovered then that Russian capabilities in outer space far exceeded all our estimates and expectations. And we had to embark on a real crash program in order to catch up.

Only a response as sweeping as what followed the Sputnik can, in my judgment, really retrieve the situation we face today in Soviet submarine progress. We cannot possibly hope to get anywhere by simply handling this new threat on a business-as-usual basis. Yet unless there is some dramatic change in the Pentagon, or some dramatic change in Congress, I am afraid this is precisely what we will do this year.

But there are two major steps I believe we must take.

First, there must be a vastly increased program within the Navy to combat this growing Soviet threat. Frankly, I am gloomy about the prospects of getting through Congress this year even the modest 10 percent increase in the Navy's ASW budget, which Admiral Caldwell has testified he needs if we are to get even a minimum response underway to this new challenge, because of the prevailing

climate both in the House and Senate. Actually what we need to meet the threat effectively is something closer to a 10-fold increase in our ASW research and development funds, just as occurred in our space research after Sputnik went up.

Secondly, we must reorganize the authority to manage the whole antisubmarine warfare program in the Navy into the status of a separate Vice Chief of Naval Operations for ASW affairs, who will have direct control over Navy procurement efforts in ASW as well as operations and strategy.

If we are really going to get the job done that needs to be done we must give the man charged with overseeing ASW not just an advisory staff position, where he can implore and cajole but never really direct, but rather a share of the top command authority—just as the advent of Sputnik transformed the relatively innocuous National Advisory Committee on Aeronautics into a much more effective National Aeronautics and Space Administration.

Nothing seems more obvious to me: In a changing world, if our defense remains static we are in for real trouble.

Ladies and gentlemen, I believe the challenge we face today is not unlike the challenge that Winston Churchill faced during those dark days of 1940–41, when it looked as though the Nazis had won everything in Europe and Britain alone stood in their way towards total victory. Yet Sir Winston prevented that victory because, as President Kennedy once put it, he "mobilized the English language and sent it into battle against the enemy."

One of those dramatic and moving occasions, as I am sure you will recall, was when President Roosevelt, in early 1941, sent his recently defeated opponent in the 1940 Presidential election, Wendell Willkie, to carry a message of encouragement to the great embattled British leader and her people. And after Mr. Willkie arrived Mr. Churchill took to the radio to read the message which President Roosevelt had sent. It turned out to be a familiar quotation from the poet Longfellow:

> "Sail on, O Ship of State!
> Sail on, O Union, strong and great!
> Humanity with all its fears,
> With all the hopes of future years,
> Is hanging breathless on thy fate!"

In a very real sense, ladies and gentlemen, we in America are in much that same position today. The future of the free world, the future of those ideals of humanity and freedom do indeed hang breathless on what we eventually decide to do in this present squeeze.

Tough as the road may be, unpopular as some of the causes we may be called upon to enforce, there can be, as I see it, no real alternative. It is up to us—we in the Congress, you in this great industrial association, committed first and foremost to the preservation of our nation's defenses—to make sure that this great ship of state of ours, both figuratively and literally, continues to sail on, successfully and gloriously through all the many dangers that may lie ahead.

PROPOSED TAX DEDUCTION FOR EDUCATIONAL EXPENSES OF STUDENTS

(Mr. ROSTENKOWSKI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROSTENKOWSKI. Mr. Speaker, today I am introducing, for appropriate reference, a bill of direct personal interest to almost every family in the Nation. It is a measure which seeks to amend the Internal Revenue Code of 1954, to allow a full-time student, in good standing, a deduction of $1,800 a year for his educational expenses, and to allow this deduction to other individuals who contribute to his educational expenses to the extent that the student himself does not qualify for the deduction. It would apply, if enacted, not only to students of higher education but to elementary and secondary school students as well.

There is little need, I think, to underscore the tremendously significant and critical role that education plays in the life of our Nation and the personal fulfillment of every individual. President Kennedy once summarized the critical function of education in a free society thusly:

> There is an old saying that civilization is a race between catastrophe and education. In a democracy such as ours, we must make sure that education wins the race.

The fact is, of course, that education is the number one industry in America. Because of its magnitude, virtually every family in America is touched in some direct manner by what occurs in the educational field. We look today, as we have traditionally, to education as the source of manpower, adequately trained to provide leadership in every sector of society. The truth is that there is no formula available with which we can determine the exact dollar value of an education. We do know that educational attainment markedly improves an individual's lifetime earnings capacity while simultaneously aiding the steady growth of our gross national product. We know, in short, that the millions invested in education at local, State, and Federal levels have yielded a fantastic return in goods, wealth and knowledge over the years.

We also know, unfortunately, that the growing expense of education is prohibiting a great number of our brightest and most able youngsters from developing their full potential. Those long familiar with inner city problems know that intelligence alone is not responsible for low levels of academic achievement among ghetto youth. In virtually every case, inner city youngsters lack any financial resources with which to obtain the food, clothing, books, and other essential materials needed for normal educational pursuits. And the problem of spiralling educational costs does not disappear at the front gate of suburbia. On the contrary, middle-income Americans who already bear a disproportionate share of the tax burden in the Nation, are becoming increasingly hard pressed to meet regular financial obligations and educational expenses as well. The proposal I offer today would be of considerable benefit to both groups, and, consequently, to an extremely wide and broad-based number of citizens.

However, the value of this deduction does not stop at the economic boundaries of an individual's existence. Instead, this measure provides a monetary framework from which academic incentives may be developed on the part of parents and students alike. It has long been recognized that personal motivation is the single most important factor in educational achievement. I believe my proposal will stimulate and move thousands of young people to develop the self-discipline and restraint needed to maximize their educational opportunities. Moreover, the financial incentive provided by this bill will in my judgment, encourage a great number of parents to play a much greater role in guiding and lifting the educational aspirations of their offspring.

In closing, may I say that it is my belief that the struggles of the future will be won or lost in the classrooms of America today.

STATE DEPARTMENT BLUNDERS IN RELATIONS WITH PERU

(Mr. PELLY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PELLY. Mr. Speaker, I have been assured by the White House that President Nixon is concerned about the latest incident involving the seizure of an American fishing vessel by Peru, which clearly indicates the President's personal involvement in this serious situation which exists between the United States and Peru at the present time.

However, Mr. Speaker, I must say that I can find no optimism in the manner in which the U.S. Department of State has conducted itself with regard to the problem American fishermen have in their dealings with Peru or with the manner in which the State Department has conducted its own business with Peru.

The State Department truly blundered when it failed to notify the Peruvian Government that military sales to their country had, under law, been cut off effective the date of the last seizure of a U.S. fishing vessel, which was February 14, 1969. Instead, the State Department chose a diplomatic—and I use the word advisedly—approach of trying to keep talks going with the Peruvians over the expropriation of the oil plant in Peru. Mr. Speaker, what were described as cordial talks kept going while the Peruvians had no knowledge of the cutoff of military sales, and I should add these talks by the State Department's own admission accomplished nothing.

Meanwhile, the problem facing our fishermen is exactly the same as before, and apparently no solution is in sight over the expropriation of the oil plant. Admittedly there is a serious deterioration in relations between Peru and the United States which is most unfortunate.

Of course, I do not understand why the Peruvians were not aware of the passage of my amendment on military sales last September 10, but in any event it is unforgivable that the State Department did not inform the countries that have been seizing U.S. fishing boats that this law existed. Especially in light of the fact that delegates of both the United States and Peru were meeting together for the past 2 months.

Meanwhile, Mr. Speaker, I understand the Peruvian press has accused me of an inconsistency in my position on fishing by my support of legislation calling for an extension of fish and shellfish jurisdiction in the waters above our Continental Shelf.

Apparently the Peruvians think I cannot support this legislation while I oppose their claim of 200 miles jurisdiction off their coast.

Let me say that sovereignty over the Continental Shelf was established by the United Nations in 1958, and only because resources in the water above the shelf were not included is this legislation desirable in the interest of conservation. But, as with the 12-mile fishing zone, historic rights of nations who traditionally have fished in these waters should be recognized.

With regard to Peru, I say what I have been proposing for years; namely, that we should sit down together and discuss our differences and settle, through mediation, arbitration or International Court of Justice, the positions of our two countries.

Mr. Speaker, the United States has historically fished these waters, and an agreement along this line is proper and legal precedent exists. Both Canada and Mexico have agreed to U.S. historic rights on the high seas, and the same type of agreement could be discussed with these Latin American countries, if only they would sit down and talk.

As I have said before, my bill—H.R. 10607—which is designed to cut off imports to this country of fish and fish products from any country seizing U.S. fishing vessels illegally will receive its hearing June 4 and 5. At that time I intend to again press for passage of this legislation to encourage negotiations. Under the provisions of the bill, it would not be effective during negotiations.

Incidentally, I also intend to let it be known that when the Military Sales Act extension comes up for a hearing this year, I will testify in favor of clarifying its provision as it relates to countries seizing our fishing boats. I will suggest cutting off sales, credits, and guarantees to any country seizing our fishing vessels on the high seas and seek a provision that any ban on such military sales would continue for one year from the last seizure or until the President of the United States receives the assurance of the offending country that no further seizures will occur, at which time the President would have the authority to reinstate the sale of military equipment.

My remarks today are in the interest of the settlement of differences, Mr. Speaker, and a statement of grave concern over the deterioration of relations between what should be friendly neighbors. Both nations, I am sure, desire an early settlement of the issue of fishing rights. There is still time for a mutually satisfactory adjustment of our fishery differences.

THE WATER BANK PROGRAM

(Mr. ANDREWS of North Dakota asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ANDREWS of North Dakota. Mr. Speaker, there has been in the past several years a great deal of controversy in North Dakota and other States—which serve as a habitat for migratory waterfowl—between farmers and various wildlife interests over the drainage of wetlands.

At the present time, landowners in North Dakota, for instance, are draining almost 45,000 acres of wetlands each year. There are two major reasons why the farmers are draining these wetlands: First, a potential increase in income; and second, a reduction of farm operating costs.

The drainage of wetlands has been one way a farmer can improve the land on which he has made an investment and is paying taxes. For many farmers, the drainage of the wetlands means a greater efficiency in their business by increasing the size of their operating unit. However, while the farmer is improving his financial status by the draining of this water, the remainder of our society is suffering.

The wetlands are a valuable source of wildlife production and retention of runoff waters adds to flood control and helps maintain water table levels essential to municipal and industrial water supplies.

Mr. Speaker, it is for these reasons that I am introducing legislation to establish a water bank program.

Under this measure, to be administered by the Department of Agriculture's Agricultural Stabilization and Conservation Service, landowners could enter into contracts with the Federal Government to limit the use of wetlands and to leave them in their present condition. The landowner would enter into a 10-year contract and at the offset, would designate wetland areas on his farm which would not be drained or otherwise altered so as to affect their value as wetlands.

Under the water bank program, the landowners would receive payments based on the productive value of the land.

The farmer would have use and nonuse options. This way he could continue to utilize the land for farm operations, although he would agree to refrain from any drainage or filling operations on the acreage. Under the nonuse option, no farm operations would be undertaken on the land.

A number of agencies and organizations in North Dakota have held meetings to discuss the water bank program and the bill is the end result of these many gatherings. Representatives of the following organizations took part in the various discussions: North Dakota Farmers Union, North Dakota Farm Bureau, North Dakota Stockmen's Association, North Dakota Wildlife Federation, North Dakota Water Users, the Garrison Diversion Conservancy District, the North Dakota Association of Soil Conservation Districts, and the U.S. Durum Growers.

State officials, including personnel from the North Dakota State University, took part in drafting the legislation.

A resolution supporting a plan of this type was passed by the 1969 session of the North Dakota Legislature.

And I am also pleased to note that the water bank program bill is being introduced by all the members of the North Dakota delegation in the House and Senate today.

VOCATIONAL EDUCATION WORK-STUDY PROGRAM

(Mr. LANGEN asked and was given permission to address the House for 1 minute and to include extraneous matter.)

Mr. LANGEN. Mr. Speaker, I wish to insert in the RECORD a statement I made to the Labor-Health, Education, and Wefare Subcommittee of the Appropriations Committee this morning, and other extraneous matter.

The material is as follows:

STATEMENT BY CONGRESSMAN ODIN LANGEN IN SUPPORT OF FUNDING THE VOCATIONAL EDUCATION WORK-STUDY PROGRAM, MAY 27, 1969

Mr. Chairman and members of the Committee, I appreciate the opportunity to appear before this distinguished Subcommittee in support of adequate funding for the Vocational Education Work-Study Program.

The Work-Study Program was created by the landmark Vocational Education Act of 1963. It was designed to assist qualified students in continuing their education by earning needed funds while remaining in school. The program had been eminently successful in achieving this goal. Due to misunderstanding relative to funding of the Work-Study Program in fiscal 1969, it is currently in a state of limbo. And I am being optimistic when I describe it as being in limbo.

In fiscal 1967, the work-study program was funded at $10 million. In fiscal 1968, this program was transferred to the Neighborhood Youth Corps in the Office of Economic Opportunity. By action of this Committee $10 million was provided for the Work-Study Program from OEO funds transferred to the Office of Education in HEW to continue the program in fiscal 1968. I am sure that it was the intention of this Committee and the Congress that the same method of funding the Work-Study Program should prevail in fiscal 1969. This is evidenced by the statement made by Mr. Venn—Associate Commissioner for Adult Vocation & Library Program—when he referred to the Work-Study Program on page 501 of the hearings as follows: "We are not requesting funds for this activity in 1969 since it has been absorbed by the NYC 'in-school' program for which appropriations are included under the Economic Opportunity program." However, this was not done as area-technical schools in Minnesota and throughout the Nation discovered after their Work-Study Programs had been started at the beginning of this school year.

I have received many communications from area technical institutes in Minnesota regarding their experiences with the Work-Study Program in fiscal 1969. They had simply been unable to get any Federal funds to assist in operating their Work-Study Programs. In order to carry on their programs, these schools had to rearrange already tight budgets to put funds into work-study so that students participating in the programs could continue their vocational education. Some of the schools had to discontinue work-study when the financial burden became too great to bear. Fortunately, I was able to assist these schools in obtaining some funds from the Neighborhood Youth Corps to maintain their work-study programs.

However in fiscal 1968, there were 27 vocational schools in Minnesota with 680 students participating in Federally assisted Work-Study Programs. When this matter was first brought to my attention it was possible to identify only 140 of these students, attending three schools, who are currently enrolled in the Neighborhood Youth Corps program. Although it is possible some of the remaining students have been picked up by NYC, it is also possible that 540 students in Minnesota are unable to participate in Work-Study Programs due to this reprograming of funds. I am confident these figures for Minnesota reflect similar conditions throughout the country.

The superb job that has been done in administering these programs by the vocational schools in Minnesota makes these figures particularly depressing. As have other schools throughout the country, the schools in Minnesota have kept the administrative costs of their Work-Study programs to a minimum. They have insured that the intended beneficiary of this program—the needy student—did in fact receive the assistance necessary to keep him in school. I can attest that the vocational schools in Minnesota have demonstrated a commitment to use the Work-Study program for the benefit of their students. Even in fiscal 1969 when Federal assistance for their work-study programs dried up, these schools have voluntarily continued the program so that needy students could continue their education. As I said earlier, some of the schools have been forced to drop their work-study programs after they were started due to lack of funds.

My experience with these efforts brought out one major difficulty created by the transfer of the Work-Study Program from the Office of Education to the Neighborhood Youth Corps. The NYC In-school Program is limited to high school students or persons of equivalent age and is not intended to be available to students enrolled in post high school technical institutes. In order to make this point clearer, I would like to insert in the Record copies of the regulations defining eligible participants for both the Work-Study Programs and the Neighborhood Youth Corps In-school Program. In addition to more liberal age limitations, the Work-Study Program's definition of need is more flexible and leaves to the sponsoring institution more latitude to determine which individual students may participate.

The Vocational Education Act of 1963 provided a great impulse for the establishment of area technical schools similar to those in Minnesota. Through fiscal 1968, 766 area vocational school projects were funded by the Federal Government. The failure of the Neighborhood Youth Corps to pick up the Work-Study Program resulted in these schools' Work-Study Programs left unfunded at the beginning of fiscal 1969. Clearly, this situation should be rectified by transferring this program back to its original status and funding it with $10 million.

Basically, the Work-Study Program is an education program. Its thrust is to enable students to obtain valuable training in an established vocational education system. The goal of the Work-Study Program is identical with the goal of the Vocational Education Insured Loan Program—to assist needy students to continue their education. With this perspective, the wisdom of maintaining the Work-Study Program should be clear.

As one who appreciates the necessity for economy in government programs, I was quite impressed with the comparison of the average cost per enrollee figures between the Vocational Education Work-Study Program and the Neighborhood Youth Corps In-school Program that was presented to this Committee in hearings for the fiscal 1968 appropriations bill. The average cost per enrollee in the Work-Study programs was $305 with the Federal share at $297. For the NYC In-school Program, the average cost per enrollee was $722 with the Federal share at $650. Thus, we are now more than cutting in half the number of students that can be assisted by the Work-Study Program.

Additionally, the administrative costs of the NYC In-school program are much higher than the Work-Study Programs. In fiscal 1966, per enrollee administrative costs for the NYC program were $184 compared with $8 for the Work-Study Program. These figures may prove to be somewhat misleading. For example, $145 of the costs of the Neighborhood Youth Corps program is for providing supervisors for the enrollees while there is no similar cost in the Work-Study program. This is because the NYC program is designed to provide job training for its enrollees while the Work-Study programs are not.

The Vocational Education Work-Study Program, operated by the Office of Education in HEW, has an authorization of $35 million for fiscal 1970. Incidently, this authorization was enacted in October of last year (P.L. 90-576) which I think is strong evidence of the continuing regard the Congress has for this excellent program.

In order to adequately fund Work-Study without increasing the budget, I respectfully recommend that this Committee follow the same procedure it used to fund it in fiscal 1968. That is to earmark at least $10 million of the funds appropriated for the Neighborhood Youth Corps to be transferred to the Office of Education to operate the Work-Study Program. As I am sure you are aware, although the operating responsibility for the Neighborhood Youth Corps has been transferred to the Department of Labor, the funds for NYC are still appropriated to the Office of Economic Opportunity.

I have followed the progress of the Work-Study Program quite closely and have been very impressed by its accomplishments. Prior to fiscal 1968, the Work-Study program produced the solid results that should be the envy of any Federally assisted program. Today, it has been effectively dismantled and no longer exists for all practical purposes. I urge this committee to restore this valuable program so that all vocational education students can continue to receive the training necessary to become productive participants in today's economy.

NEIGHBORHOOD YOUTH CORPS

* * * * *

(b) New projects which provide meaningful work-experience and training designed to develop enrollees' maximum occupational potential and to contribute to their upward mobility.

B. ELIGIBLE PERSONS

(1) A youth may be selected for an in-school project if at the time of selection he is:

(a) Attending the ninth through twelfth grades of school, or its equivalent, or attending an elementary school but is of the same age as that of students in the ninth through twelfth grades and in need of paid work experience in order to continue in school, or

(b) Not attending school and is of the same age as that of students in the ninth through twelfth grades of school and in need of paid work-experience in order to resume and maintain school attendance.

(c) A member of a low-income family.

(2) A youth may be selected for an out-of-school project if, at the time of selection, he is 16 through 21 years of age, a member of a family with annual income below the poverty line, unemployed, out of school, and not planning to return to school, and in need of useful work-experience in public agencies or private organizations, combined where needed, with educational and training assistance, including basic literacy, counseling, and occupational training designed to assist him to develop his maximum occupational potential.

(Permission to enroll a small proportion of youth who are not members of families with incomes below the poverty line may be granted by the BWP regional director if special conditions appear to warrant such exceptions. In all cases, however, priority must be given to enrollees who meet all of the eligibility criteria.)

The purpose of the Title I-B program is primarily to assist youth who are not high school graduates.

WORK-STUDY PROGRAMS

§ 104.24 Supplement to State plan.

All work-study programs for vocational education students supported by a State's allotment of Federal funds under section 13(a) of the 1963 act shall be included in the State plan pursuant to § 104.2 of these regulations and shall be governed by all provisions contained in such plan applicable to work-study programs. As a condition for the allotment of Federal funds under section 13(a) of the 1963 act, the State board is required to include in its plan or submit to the Commissioner an amendment to the State plan containing the provisions required in § 104.25 and § 104.26. Such amendment shall be submitted and approved pursuant to § 104.2(b). (See § 104.45 for allowable expenditures of work-study programs.)

§ 104.25. Requirements of work-study program.

The State plan shall provide that a work-study program meet the following requirements:

(a) *Administration.* The work-study program will be administered by the local educational agency and made reasonably available (to the extent of available funds) to all qualified youths, in the area served by such agency, who are able to meet the requirements in paragraph (b) of this section.

(b) *Eligible students.* Employment under the work-study program will be furnished only to a student who (1) has been accepted for enrollment or, if he is already enrolled, is in good standing and in full-time attendance as a full-time student in a program which meets the standards prescribed by the State board and the local educational agency for vocational education programs under the 1963 act; (2) is in need of the earnings from such employment to commence or continue his vocational education program; and (3) is at least fifteen years of age and less than twenty-one years of age at the date of the commencement of employment and is capable in the opinion of the appropriate school authorities of maintaining good standing in his school program while employed under the work-study program.

(c) *Limitation on hours and compensation.* No student will be employed more than fifteen hours in any week during which classes in which he is enrolled are in session, or for compensation which exceeds $45 per month or $350 per academic year or its equivalent, unless the student is attending a school which is not within reasonable commuting distance from his house, in which case his compensation may not exceed $60 per month or $500 per academic year or its equivalent.

(d) *Place of employment.* Employment under work-study programs will be for the local educational agency or for some other public agency or institution (Federal, State, or local) pursuant to a written arrangement between the local educational agency and such other agency or institution, and

work so performed will be adequately supervised and coordinated and will not supplant present employees of such agency or institution who ordinarily perform such work. In those instances where employment under work-study programs is for a Federal agency or institution, the written arrangement between the local educational agency and the Federal agency or institution will state that students so employed are not Federal employees for any purpose.

TRUE MILEAGE—FOR SALE OF USED CARS

(Mr. HANSEN of Idaho asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HANSEN of Idaho. Mr. Speaker, today I am introducing H.R. 11683 to require that anyone who sells or offers for sale a motor vehicle in commerce shall make a certification with respect to the accuracy of the mileage shown on the odometer.

The consuming public is the victim of the growing fraudulent practice of turning back the odometer on automobiles which are offered for sale to conceal from the prospective purchaser the true mileage. The purpose of the bill I am today introducing is to eliminate this deceptive and dishonest practice by requiring that anyone who sells or offers for sale a motor vehicle in commerce must provide to the purchaser or prospective purchaser a certificate under oath relative to the accuracy of the mileage shown on the odometer. If the odometer does not accurately reflect the mileage the vehicle has traveled, the bill requires that the certification show the reason for the inaccuracy and an estimate of the true mileage.

The enactment of this law will provide the consumer with adequate notice of the distance the automobile he is purchasing has been driven. A buyer will be in a better position to determine the value of the vehicle and to know exactly what he is getting for the price he pays.

This bill will also enhance our efforts to promote safety on the Nation's highways. If a purchaser of a used automobile has knowledge of the exact mileage, he will be much more likely to operate and maintain the vehicle accordingly. If, on the other hand, the purchaser buys an automobile which has traveled a considerable number of miles but which shows low mileage on the odometer, he will be more likely to operate the vehicle with a false sense of security and in a manner that is inconsistent with the actual or potential danger.

Mr. Speaker, a number of States have already enacted laws in various forms designed to deal with this growing problem. Because of the interstate nature of many motor vehicle sales, however, it is increasingly clear that action at the Federal level will be essential if this fraudulent practice is to be brought to a halt. The enactment of this proposed Federal odometer certification law will supplement the various State laws and thereby benefit both the buyers and sellers of motor vehicles.

In addition to the consuming public, among the chief beneficiaries will be the honest automobile dealers who refuse to deceive their customers to the mileage of the automobile being offered for sale. These honest dealers suffer an unfair disadvantage in competing with dealers who make it a practice to turn back the mileage on the odometer of automobiles being offered for sale.

Mr. Speaker, I include as a part of my remarks the text of H.R. 11683, together with two articles from Consumer Reports and a recent article from the Washington Post relating to the practice of turning back the odometers on automobiles offered for sale:

H.R. 11683

A bill to require certain certifications with respect to odometers on motor vehicles used in commerce

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That as used in this Act—

(1) The term "motor vehicle" means any mechanically propelled vehicle used on the highways principally in the transportation of passengers or property, but shall not include vehicles designed for running on tracks or rails;

(2) The term "State" includes the several States of the United States, the Commonwealth of Puerto Rico, the District of Columbia, the Virgin Islands, Guam, and American Samoa; and

(3) The term "commerce" means commerce between any State and any point outside thereof, between points within the same State through any point outside thereof, and commerce within the District of Columbia.

SEC. 2. Whoever sells or offers for sale, or imports into the United States, or introduces, delivers for introduction, transports or causes to be transported for the purpose of sale or delivery after sale, any motor vehicle usable in commerce, shall submit to each prospective purchaser and to the purchaser a certification under oath (A) that the odometer accurately states the mileage traveled by such vehicle or (B) that such odometer does not accurately state the mileage traveled by such vehicle, all of the reasons known to him why it fails to do so, and his most accurate estimate of the actual mileage traveled by such vehicle.

SEC. 3. In the case of any motor vehicle subject to this Act, whoever—

(1) fails to submit a certification as required by section 2, or

(2) certifies that the odometer accurately states the mileage traveled by such motor vehicle knowing that such odometer does not accurately state such mileage, or

(3) knowingly fails to state all of the reasons known to him why such odometer fails to accurately state the mileage traveled by such motor vehicle, or

(4) knowingly and willfully gives an inaccurate estimate of the actual mileage traveled by such motor vehicle,

shall be fined not more than $10,000 or imprisoned not more than one year, or both.

SEC. 4. Nothing in this Act shall be construed as invalidating any provision of State law which would be valid in the absence of this Act unless there is a direct and positive conflict between this Act and such provision of State law.

SEC. 5. This Act shall take effect on the 180th day after the date of its enactment.

[From the Consumer Reports, June 1968]

HOW LONG IS A USED-CAR MILE?

The prudent buyer must presume used-car dealers guilty of tampering with the mileage readings on their cars until proved innocent. A "fully reconditioned low-mileage" cream puff must be suspected of being nothing better than a car with its odometer rolled back. For there is no nationally established measurement for the mile on car lots. A used-car mile is hardly a statute mile—it's often a lot longer.

What if odometers did not lie? The prudent shopper would, of course, still have a tedious checklist of inspections and tests to perform before buying a used car (see page 412 of the 1968 Buying Guide Issue). But he *could* learn from the odometer, other things being equal, roughly how much transportation to expect from a vehicle under consideration. Whether a car has gone 25,000 or 50,000 or 75,000 miles can, after all, make a considerable difference. One might predict, for instance, that under the effects of true mileage information, prices would go up for low-mileage cars and down for high-mileage cars.

Such a prediction is proving accurate in California, one of the few states where law has come to the used-car lot. Anyone tampering with an odometer in California commits a crime. The law is being enforced, and, according to *Automotive News,* car leasing and renting companies, which sell thousands of cars on the resale market, are feeling the effects of a sharp drop in prices. The only exceptions are low-mileage models.

Prices start falling steeply, the report states, after a two-year-old car has gone 30,000 miles. Beyond that distance, it loses about $10 of value every 1000 miles.

California is now a bargain paradise for out-of-state car wholesalers. They can buy high-mileage, low-cost California cars and sell them at a good profit in other states, where retail dealers can roll back the odometers. What's good for Californians thus is not so good for their neighbors.

Across the border in Arizona, the used-car credibility gap has grown so wide that one group of car dealers recently agreed, with the official blessing of the State Attorney General's office, to reset the odometers of all used cars at zero. Dealers put stickers on the car and on the sales contract in which they disavowed any knowledge of the true mileage. But shoppers would have none of it, and as a result the practice is being dropped.

Nevertheless, California car dealers want the odometer law repealed in favor of the Arizona approach. "If [rollbacks to zero] were to become a uniform practice," wrote one industry member, "the emphasis on mileage would soon disappear. Used-car buyers would learn to look at the actual mechanical condition of a car without worrying too much about how much mileage showed on the [odometer]."

In other words, a little knowledge is dangerous. Don't give 'em any.

Motor vehicle regulations are different in each state—but a mile is a mile. What's needed is full, honest and uniform disclosure. The logical solution is a Federal odometer law at least as strong as California's.

[From the Consumer Reports, May 1969]

THE GREAT ODOMETER RAID

Last summer, 12 investigators from the Massachusetts Attorney General's Division of Consumer Protection made consumer protection history. They staged an odometer raid.

The plan of attack was simple. Working in pairs, the investigators fanned out through the Commonwealth, selected 24 new-car showrooms at random, sauntered in, flashed their badges, and said they were conducting a "routine check" of cars on display in the dealers' used-car lots. For the next several hours they inspected hundreds of used cars and pored over dealers' records

for possible evidence that odometers might have been rolled back from original trade-in mileages to lower, more salesworthy figures. Mainly on the basis of educated guesswork after comparing the odometer readings with the appearance of the cars, the investigators listed about 250 vehicles open to suspicion of odometer tampering.

The next step was to try locating the former owners of the suspect cars. About 70 per cent of the owners could not be traced at all because the dealers had purchased the cars from wholesalers, or because former owners couldn't be located. A few former owners, when located, refused to cooperate. But 70 persons did reply to the inquiry, and 20 of them said the reading on their odometers when they traded in their cars was much higher than the readings found by the inspectors. On average, between 20,000 and 30,000 miles had been subtracted. One man said his odometer reading had been pared from 90,000 to 45,000 miles.

PENANCE OF A SORT

Assistant Attorney General Robert L. Meade at length decided he had strong cases against six of the biggest newcar dealerships in his state. Massachusetts is one of four states with "little FTC laws" patterned on the antideceptive practices provisions of the Federal Trade Commission Act (the others are Washington, Vermont, and Hawaii). Acting under his state's laws, Mr. Meade succeeded, after several months of polite armtwisting, in convincing three of the dealers to sign an assurance of discontinuance. That meant, simply, that they filed in Superior Court an agreement saying they would not offer "for sale any vehicle upon which the odometer has been adjusted in any manner . . . so that it does not disclose the . . . true mileage . . ." As in consent orders filed with the FTC, assurances of discontinuance in Massachusetts are carefully worded so that the signer does not admit to having used certain specific deceptive sales practices in the past, but, nevertheless, agrees *not* to use the same deceptive practices in the future.

Those who signed were Charles Chevrolet, Inc., and The Harr Motor Co., both of Worcester, and State Plymouth, Inc., of Springfield. At this writing, the state was still negotiating with two of the other dealers. Mr. Meade took sterner action against the sixth dealer on his list, North Ford, Inc., of West Medford. Saying it had flatly refused to cooperate, he filed suit for permanent injunction against North Ford.

All things considered, the Great Odometer Raid might have been a very bitter pill, indeed, for any auto dealer to swallow had it not been for a high-level decision to sugarcoat the pill with secrecy. As far as CU has been able to learn, little news of the raid ever reached the people of Massachusetts. The Attorney General's office could have given the names of the dealers to the newspapers, but it decided not to—this time. The only excuse offered by a state official was that it would have been "unfair to ruin these guys when everyone else is doing it, too." Of course, the names of the dealers thus far cited went into public court records (where CU eventually looked them up). But by not alerting the press, the state deprived itself and the public of a most effective enforcement tool in consumer protection cases —the glare of publicity.

Nevertheless, the Massachusetts Division of Consumer Protection deserves some credit for the first organized attempt to stamp out the ancient, odious and widespread practice of odometer tampering. And, Mr. Meade assures us, it won't be the last assault on what is, regrettably, a standard operating procedure of many used-car dealers, who know perfectly well that a high-mileage car is nothing but a drag on the market.

PICKERS AND SPINNERS

Technically speaking, odometer tampering is all too easy to do. The favorite technique in the trade is called "picking" because most operators use a homemade assortment of specially shaped ice picks. With a certain degree of skill and a modest capital investment, an odometer picker earns anywhere from $3.50 to $25 a car. The procedure takes only a few minutes. The picker simply reaches into the odometer drum—after first removing the instrument panel lens or boring through a partition behind the speedometer—and manipulates the digits mechanically, usually only the ten-thousandth place. If the picker is skilled, his handiwork is rarely detectable by a used-car shopper.

With less skill but much more patience, an odometer tamperer can spin the speedometer cable with a high-speed electric motor to the desired low reading. But since it can take hours to spin off just a few thousand miles, spinning is most commonly used by the amateur.

The simplest way to falsify an odometer is by disconnecting the speedometer cable. Dealers will sometimes do that on a new car to be used as a demonstrator or to be driven cross-country to the point of sale. In California last year a fairly strict state law against odometer rollbacks was weakened by an amendment expressly permitting dealers to reset new-car odometers at zero, provided they give the buyer a statement of the true mileage. But law or no law, you can't always be certain that the mileage on the odometer of a "factory-fresh" car recounts its true history.

Wisconsin *requires* that the odometers on all used cars be reset at zero. Arizona tried that, too, then changed its mind (CONSUMER REPORTS, June 1968). And in Florida dealers are permitted, but not required, to roll odometers back to zero. The idea is fine, of course—for the dealer. He can then disavow any knowledge of a car's true mileage and still be on the side of the angels. But the car buyer is deprived of the only base he has on which to add mentally the 20,000-or-so miles the dealer has subtracted mechanically. In states where antitampering legislation is pending, the back-to-zero idea is apt to be pushed hard by the dealer lobby.

Besides California, only Delaware, Kentucky, Massachusetts and New Jersey have laws making it illegal to tamper with an odometer. Several other states, including Hawaii, Maryland and Georgia, have similar laws under consideration. Unfortunately, state laws specifically aimed at odometer rollbacks are generally regarded as difficult to enforce and are therefore rarely invoked. "In order to convict under these statutes," says Paul J. Krebs, director of New Jersey's Office of Consumer Protection, "you practically have to catch these guys in the act."

Bearing him out, Massachusetts chose not to use its criminal statute against odometer tampering to prosecute suspects in the Great Odometer Raid. Although enforcement under the state's little FTC law proved possible, the act provides for no fines to penalize violators and no redress for victimized consumers unless they can sue privately and win an award for damages. The legislature is considering an amendment with stiffer penalties, but meanwhile the most the Attorney General can do is get an injunction ordering the unrepentant violator to stop his fraudulent practices. That has more muscle than an assurance of discontinuance, since anyone in violation of a court injunction is also in contempt of court.

WHO GYPS WHOM?

Massachusetts Assistant Attorney General, Mr. Meade, while pleased at the results of his raid, asks, "Why hasn't the Federal Trade Commission itself declared odometer tampering an unfair trade practice?" He argues that the problem is, after all, interstate in scope, since so many used cars are sold to wholesalers, particularly in the South, and then auctioned off to dealers from all over the country. Therefore, the solution must be national in scope. The FTC, on the other hand, told CU the agency views odometer tampering in used cars as primarily a local rather than an interstate problem.

"We have no evidence to support the idea that it is being done by the wholesaler," said an FTC attorney. "If we did, we'd certainly investigate, but in my opinion, it's done at the retail level, the level at which the automobile is sold to an unsophisticated buyer. The wholesaler would have nothing to gain by resetting an odometer. He's certainly not going to fool the dealer, who doesn't buy on the basis of the odometer reading, anyway."

Still, he was willing to make at least a hypothetical concession: "I could visualize a dealer *requesting* the wholesaler to turn back an odometer for him, especially if it's illegal in his state, and I'm sure the wholesaler would do it. But, as I said before, we have no information on this."

Perhaps FTC doesn't, but evidence of a sort is apparently plentiful right across the Potomac River from Washington. The office of Virginia's Senator Harry F. Byrd, Jr. told CU: "The Automobile Trade Association of Virginia tells us that 90 per cent of all odometer rollbacks are done by wholesalers. They say it's a routine part of the 'reconditioning' process. Naturally, the dealer doesn't pay any attention to the odometer reading; he only buys a car on the basis of what he thinks he can sell it for. And when he buys from a wholesaler, he knows he is getting a product he can palm off with little or no risk because the former owner will be very difficult to trace."

The dealer can blame the wholesaler, and the wholesaler can blame the dealer, but it's obvious that neither could tamper with odometers on any large scale basis without the direct knowledge or the implied consent of the other. Few swindlers, after all, fall for their own swindle.

Senator Byrd has therefore taken up the cause of a Federal law against odometer tampering. The Byrd bill (S. 1185) would make odometer tampering subject to a stiff fine. It would also require used-car dealers to give their customers a statement signed by the last *private* owner of the vehicle certifying the mileage that was on the car when he sold it. Meanwhile, on the other side of the Hill, New Jersey Congressman Henry Helstoski has resubmitted his bill of last year (H.R. 4163), also prohibiting odometer tampering in interstate commerce. The chances for passage of either measure during the current session of Congress may be hard to assess, but it's not very encouraging to note that, even in the proconsumer atmosphere of the previous Congress, a bill sponsored by Senator William Proxmire to require auto manufacturers to install tamperproof odometers in all new cars died in the Senate Commerce Committee.

The need for effective legislation is obvious. Norman Polovoy, chief of the Maryland Consumer Protection Division, put it this way: "I know of no rational or reasonable justification for an automobile dealer setting the odometer back other than to try to convince the purchaser that the automobile has substantially less mileage on it than is in fact true."

According to one report, in 1967 alone Americans bought nearly 20 million used cars and paid an estimated $20 billion for them. The trade journal *Automotive News* reports that prices start falling off sharply after a car has traveled 30,000 miles; and beyond that distance, a two-year-old car loses about $10 of value for every 1000 miles on the

odometer. Assuming that only half the used cars sold in 1967 were two years old or older, and that only half of them had 20,000 miles picked or spun off their odometers, it doesn't seem unreasonable to estimate that consumers are being misled on used-car lots to the tune of $1 billion a year.

But the cost must be assessed in terms of safety as well. Even with the best of care, a car with 75,000 miles on the odometer is not the car it was at 25,000 miles. The prudent owner knows this and is less likely to take his steering or wheel bearings or exhaust system for granted. But the owner of a "low-mileage" used car may be lulled by the odometer. Until the critical moment, he may have been completely unaware that his car was dangerouly in need of repair—a menace to himself and to others.

The National Highway Safety Bureau agrees, and in 1967 it proposed a safety standard requiring tamperproof odometers on all passenger vehicles, including buses, trucks and motorcycles. The idea was assigned to an administrative pigeonhole, however.

"Other proposed safety standards had a higher priority," a bureau spokesman told CU, "but this is not to say we won't have such a standard later on."

WHAT'S TAMPERPROOF?

But at the same time, the bureau questions whether it is possible to design a really tamperproof odometer, and except for General Motors, the auto industry has yet to market anything resembling one. GM's 1969 models have odometers that cannot be spun backward. But there is no way for the used-car buyer to detect whether the mileage reading has been spun forward beyond 99,999.9 to zero and then to some youthfully low second-time-around setting. Also, in GM cars made after January 1, the odometer will exhibit telltale color separation between the numbers if it has been picked. But, a GM spokesman admits, the buyer would have to be "a knowledgeable individual" to recognize the evidence. Despite those refinements, the new GM odometer cannot therefore be described as truly tamperproof. And whatever its positive virtues, the GM odometer will be of little use to the buyer of a used *Ford, Plymouth, Ambassador, Volkswagen*, etc., or, for that matter, to the buyer of a pre-1969 GM model.

CU's automotive engineers give a qualified Yes to the question of whether a tamperproof odometer is feasible. While anything Yankee know-how can put together, Yankee know-how can probably take apart, our engineers say a much less accessible odometer unit, one sealed in plastic perhaps, is certainly possible. But for the unit to be completely tamperproof, the speedometer cable would have to be sealed in two places—where it connects with the speedometer head and at either the transmission or the front wheel connection, depending on the car. (Some car rental companies seal odometers, for obvious reasons, and a spokesman for one of the biggest says sealing is highly effective.)

What about repairs? Would it be possible to fix a broken but tamperproof odometer or install a new one without breaking the seal? Probably not, but mechanics could be required to reseal the unit and verify the original mileage. Enforcement might be difficult—but no more impossible than any other weights-and-measures regulation. If it is important to protect the consumer from the butcher who cheats a few cents on the hamburger, it's at least as important to protect him from the odometer "artist" who chisels a few hundred dollars on a used car.

TITLE LAWS

Title registration laws could help, too, and 41 states already have them. Not only are they an effective weapon against auto theft, they also assure the car owner a clear title to his automobile by requiring that the chain of ownership be established to the satisfaction of motor vehicle authorities. (And possibly the mileage to the satisfaction of the consumer; see box above.) Such a title law is pending in Massachusetts, but the Massachusetts Consumers Council further proposes that the identity of the former owner become a part of the certificate of title the state gives the new owner. But even if the measure sailed through the Massachusetts legislature, it would be truly effective only if most other states passed similar laws.

It will be difficult but not impossible to make the used-car mile more nearly approximate the statute mile. For example, auto makers could develop better odometers; the National Highway Safety Bureau could require them! the FTC could compare notes with Sen. Byrd; states could pass uniform title laws; and, above all, Congress could pass meaningful antitampering legislation.

Meanwhile, there is something to be learned from Assistant Attorney General Meade's historic venture: Even weak laws *can* be enforced. His Great Odometer Raid certainly hasn't stamped out odometer tampering, but it has made the practice a good deal riskier in Massachusetts.

[From the Washington Post, May 13, 1969]

MARYLAND AFFAIRS: ASSEMBLY LAGS ON TRUTH-IN-CAR-MILEAGE BILLS

(By Peter A. Jay)

The Maryland General Assembly elected in 1966 has never been shy about citing its own accomplishments, but its self-admiration has glowed with a particular warmth in contemplation of its consumer protection record.

One nationwide consumer complaint, the turning-back of used-car odometers by dealers, has been dropped by the legislators like a red hot sparkplug. New attacks on the practice appear unlikely.

In its first session, its ire kindled by tales of buyers defrauded, the 1966–70 Asssembly created a special Office of Consumer Protection under the Maryland Attorney General.

Yet when the division's new head, Norman Polovoy, sought legislation in 1968 that would have outlawed odometer tampering, the Assembly turned chilly.

Consumers Union, the nonprofit research organization that publishes Consumer Reports, estimates that used-car prices are artificially raised by as much as $1 billion a year nationally by altered odometers.

The bill that would have outlawed odometer tampering and a measure that would have required that the actual mileage at the time of sale be recorded on every vehicle's title, were introduced in the 1968 session by Del. Arthur Dorman (D-Prince George's).

Although the bills were backed by Polovoy, they came under massive attack from the powerful automobile dealers' lobby and were never enacted. No one could be found to reintroduce them this year, Polovoy's office says, and prospects for 1970—an election year—look dim indeed.

Dorman says the reason he gave up on his bill this year was a 1968 Baltimore County court decision that held that if the buyer of a used car could prove that the odometer reading was altered, he had grounds for a civil suit.

"We figured that took care of the problem," Dorman said. "We haven't been getting more complaints about it." If legislation is still needed, he said, "Polovoy and his people have been lax" if pressing harder for it.

John S. Ruth, Polovoy's chief investigator, says the complaints keep coming in. Many of them, he says, come from people who buy "new" cars and discover the vehicles have been used as demonstrators, then had their odometers set back.

Although he is less than sanguine about his chances, Ruth hopes he can find a legislator who will reintroduce Dorman's two bills and get them through the General Assembly next year.

According to a Consumers Union survey, only seven states have any sort of odometer legislation on the books. One of them, Wisconsin, has the odd requirement that all used cars have their odometers reset to zero before they can be sold.

In states where anti-tampering bills are considered, Consumers Union says, dealers' groups invariably offer a Wisconsin-type measure as a more palatable alternative.

It happened that way in Maryland in 1968. When, for a time, Dorman's bill appeared to be moving along in the House, Del. Robert Banning (D-Prince George's) dumped in a "zero miles" measure. Banning is a Hyattsville automobile dealer.

Odometers could be left untouched on certain cars, under Banning's unsuccessful bill, if the last private owner of the vehicle certified in writing the mileage reading was correct.

"It was a joke," says Ruth, "If the dealer had a creampuff, he could leave the mileage alone. If he had a real dog, he could legally set it back to zero."

Because Maryland Attorney General Francis B. Burch, Ruth's and Polovoy's boss, favors the Wisconsin-type of measure, it's a good bet that if any bill is pushed hard at the 1970 General Assembly it will be that one.

In the Washington area, neither the District of Columbia nor Virginia has a law against tampering with odometers. Sen. Harry F. Byrd Jr. (D-Va.) is backing a bill to attack the practice at the Federal level.

Dealers' groups contend the practice of setting back odometers is justified both morally and economically. By reconditioning used cars before selling them, dealers contend they "put more miles into" the vehicles and are entitled to spin a few miles off the odometer.

The practice is easy enough. According to a flier circulated by the Speedy Instrument Service of Waterville, Conn., with the proper tools and instruction odometers can be reset "in 10 seconds to 2 minutes."

It's a well-established art, most garage owners agree, and one not likely to be ended legislatively in the next few years, either in Maryland or the Nation.

ANTICIPATED LEGISLATION CALLING FOR EXTENSION OF INCOME TAX SURCHARGE

(Mr. HENDERSON asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. HENDERSON. Mr. Speaker, in the weeks ahead, the House will be asked to vote on major tax legislation which it is anticipated will call for an extension of the income tax surcharge in some form, and also repeal of the 7-percent investment credit.

Both of these proposals would have a major impact on the economy. Repeal of the investment credit is strongly opposed by businessmen throughout the country, including my own State of North Carolina. On the other hand, repeal is strongly advocated by the administration and many in the Congress. Much of the opposition to repeal comes

from manufacturing industry. An excellent case for retention of the 7-percent investment credit was made in the statement filed with the Committee on Ways and Means by the National Association of Manufacturers on May 23, 1969. I include this statement in my remarks at this point, so that it may be available to all Members of the House:

STATEMENT OF THE NATIONAL ASSOCIATION OF MANUFACTURERS ON THE EXTENSION OF THE INCOME TAX SURCHARGE AND REPEAL OF THE INVESTMENT CREDIT SUBMITTED TO THE COMMITTEE ON WAYS AND MEANS U.S. HOUSE OF REPRESENTATIVES, MAY 23, 1969

The National Association of Manufacturers has been for some time deeply concerned with the drift and deterioration in fiscal affairs. In July of 1967 the Association endorsed imposition of a tax surcharge, provided it was clearly labeled as "temporary," and provided that it was accompanied by a definitive program to limit the future course and direction of government spending. Furthermore, the NAM believed that, while the emergency lasted no fundamental changes in the tax structure should be made.

The NAM was thus among the first of business organizations to back this unpopular course and it was the first of the public witnesses to testify in this regard before the Committee on Ways and Means.

As recently as March of this year, the NAM was prepared to endorse a continuation of the surcharge for an additional year, provided it was accompanied by effective spending limitations as in the 1968 legislation. It believed, however, that this should be its only extension. The government would then have had more than two years to put its fiscal house in order, and the growth in absolute revenues together with tight expenditure controls should have sufficed to permit the surcharge to expire.

The Association has been forced to reappraise its position in the light of more recent developments. The proposal for repeal of the investment credit injects a new and unexepected element into this already complicated fiscal situation.

We are opposed to such repeal. In what follows we will set forth, first our general views on current fiscal action and, then, our detailed reasons for opposing repeal of the credit.

THE FISCAL 1970 BUDGET SITUATION

The occasion for these hearings is concern over the prospective budgetary situation in the fiscal year 1970, which will begin only a few weeks from now. The Administration's spending plans for that year would total $192.9 billion. If the Congress takes no tax action receipts would total an estimated $188.9 billion.

The Administration contends that the resulting $4.0 billion deficit would be entirely inappropriate during this period of inflation. The NAM agrees with that conclusion.

The Association does not believe, however, that the nation is ready or willing to accept a permanently higher level of taxation as a means of supporting a permanently higher level of government expenditures. The widespread unpopularity of the present 10% surcharge is convincing evidence of this.

Therefore, the ultimate solution must be sought, not in tax action, but in the control of spending. Whatever tax action Congress takes to meet the immediate problems of fiscal 1970 should be transitional in nature as we work toward that ultimate solution.

The more immediate concern is with the short run—the fiscal year 1970. But even here the only really satisfactory solution lies in further curtailment of spending. The NAM believes that, given sufficient determination, total outlays for the coming fiscal year can be reduced well below the proposed total of $192.9 billion. Such efforts may be painful but the American people will find the alternative of additional taxes even more painful.

The problem of reducing outlays in fiscal 1970 must be left to the wisdom of Congress and the Administration. Should the Congress, when the best possible effort has been made, still find that a deficit is in prospect in fiscal 1970, the NAM will support emergency and temporary tax action to close the gap.

It should, however, be strictly emergency and temporary tax action, and involve no permanent increases in anyone's tax burden. This is one of our reasons for opposing the repeal of the investment tax credit.

The simplest and best form of tax action to meet this kind of emergency is an across-the-board tax surcharge such as was enacted a year ago. The Association will support a one-year extension of the surcharge, if it proves necessary after a maximum effort at government economy has been made, provided it is not coupled with repeal of the investment credit.

The investment tax credit should be continued in its present form. Aside from the credit's usefulness as an economic device, which may be more apparent in the near future than in the immediate present, its repeal would involve an unjustifiable transfer of additional burdens to business taxpayers. Repeal of the credit, in its overall effect on tax burdens, is roughly equivalent to an additional 7% surcharge on corporate income taxes. If someone proposed an increase in corporate taxes in just that form, we doubt that the Congress would give it serious consideration.

This would be a *permanent* addition to the tax liability of business enterprises. It is too high a price to pay for a reduction, for six months, in the rate of the existing surcharge from 10% to 5%.

Repeal of the investment credit contributes only $1.5 billion toward the solution of the transitional budgetary problem in fiscal 1970. It would impose an additional annual burden of twice that amount on business taxpayers for the indefinite future. The bargain does not look like a good one, either for business or for the nation.

The NAM cannot support an extension of the surcharge which is coupled with a repeal of the investment credit. The combination would be an indefensible tax penalty on the enterprises which provide the bulk of the jobs and the output of our economy.

LEGISLATIVE HISTORY OF THE INVESTMENT CREDIT

Throughout its brief history, there has been a tendency in some quarters to consider the 7% investment credit as a "subsidy" to business—in the sense that business was receiving a special privilege not available to others. Anticipation of this attitude was one of the reasons that business did not wholeheartedly endorse the credit in the first place. Many organizations, including the NAM, would have preferred a lower corporate income tax rate to stimulate capital formation and long-term growth. However, industry was assured that the credit was to be a permanent feature of depreciation reform to help counter inflation of equipment costs and to help equate our system with liberal depreciation practices overseas.

Former Secretary of the Treasury Douglas Dillon said in early 1962:

"I consider our program of depreciation reform—including the investment credit—a central part of our economic policy . . . The achievement of this objective . . . requires both the investment tax credit and the faster write-offs that would be permitted under depreciation policies, which, in broader recognition of the increasing importance of obsolescence in the postwar world, would permit American firms to assume shorter tax lives for depreciable property."

The Revenue Act of 1964—one of the most important single domestic economic measures of the last twenty years—reduced individual income tax rates by an average approximating 20%, about two-thirds of the reduction becoming effective in 1964 with the remainder in 1965. Corporation rates, however, were not reduced 20%—they were reduced less than 8%, specifically from 52% to 50% for the year 1964 and to 48% for 1965 and subsequent years.

The Committee Reports accompanying the Revenue Act of 1964 explained the disproportionate rate reductions as between individuals and corporations, pointing out that in 1962, corporations had been the principal "beneficiaries" of the investment tax credit enacted as part of the Revenue Act of 1962 and that depreciation reform, initiated in that year as an administrative measure, had also largely benefited corporations.

The House Committee Report No. 749, September 13, 1963, p. 27, stated:

"This tax cut for corporations, when fully effective, will amount to $2.2 billion a year. It should, of course, be viewed in connection with the reduction provided by Congress last year in the form of an investment credit and the reform provided last year in the depreciation guidelines. These taken, together, provide corporations with a tax reduction of approximately $4½ billion."

And the Senate Committee Report No. 830, January 18, 1964, p. 8, stated:

"This bill provides a balanced reduction between individuals and business firms. In this respect, the bill is much the same as the bill that came from the House. When fully effective, the bill will reduce individual income taxes by $9.2 billion and will reduce corporate taxes by about $2.4 billion. These figures must be evaluated along with the effective tax reduction of 1962 through the investment credit and depreciation reform, the largest share of which went to corporations. Taking the 1962 and 1964 programs together, the share of the reduction going to individuals is about two-thirds and to corporations about one-third, which is approximately the present relative shares of individuals and corporations in income tax liabilities."

If a rate reduction proportionate to that in individual rates has been applied to the then existing corporate rate of 52%, reducing it to 42%, industry undoubtedly would have preferred this over the 7% investment credit.

Such was not the case. Instead, the package of depreciation reform and a much lesser tax reduction for corporations was adopted. Thus the investment credit could hardly be considered an extra bonus to industry when it was clearly a part of a package designed to arrive at a fair distribution of tax reduction between individuals and corporations. In its attempt to link reduction of the surcharge to repeal of the investment credit, the Administration, has neglected to bring out these facts—facts which seriously challenge the grounds for offering general tax relief by eliminating the investment credit.

In point of fact, even the old 52% corporate rate was supposed to be "temporary." It had been increased from 47% to 52% in the Revenue Act of 1951 as part of the fiscal measures adopted at that time in connection with financing the Korean War effort. It was scheduled to revert to 47% in 1954 but, although individual rates were reduced at that time, a series of Tax Rate Extension Acts annually continued the corporate rate at 52% through 1963.

The depreciation reform instituted in 1962 by administrative action was long overdue.

For almost twenty years prior thereto, industry had been obliged to assign unrealistically long lives to depreciable property. However, depreciation allowances for tax purposes are not the equivalent of rate reductions. The taxpayer is entitled to deduct his depreciation basis only once and, therefore, more liberal allowances in the earlier years must be considered a factor affecting the timing of cash-flow rather than a true tax reduction.

Moreover, the immediate cash-flow improvement that resulted from the 1962 changes in depreciation policy was significantly offset by the provisions in the 1964 and 1966 Acts that accelerated corporate payments for estimated tax. In fact, the nominal reduction in corporate tax rates between 1964 and 1968 was effectively wiped out by the acceleration in payments.

It is now proposed to repeal the 7% investment tax credit permanently (as distinguished from its suspension and subsequent reinstatement in 1966–1967) and this is offered as a form of offset to a proposal to reduce the surcharge rate from 10% to 5% effective next January 1st. The two are quite dissimilar.

The entire history of the investment tax credit supports the concept that it was intended as and should be a permanent part of the tax system. The surcharge, of course, was always proposed and intended as a temporary measure to tide the nation through a period of fiscal stress, and taxpayers were led to expect its termination after a relatively short time period. Thus, if the two items are viewed as partial offsets, the values are greatly one-sided. A reduction of a temporary tax, scheduled to expire shortly in any event, cannot be equated with the removal of a permanent incentive in the tax system.

ECONOMICS OF THE INVESTMENT CREDIT

Repeal of the 7% investment credit has been proposed on the grounds that: one, such action is necessary to combat inflation; and two, national priorities require the freeing of federal funds involved for other and presumably more pressing needs. We find both of these arguments unconvincing. But because they figure prominently in both the public discussion of, and legislative consideration of, the fate of the credit, we will treat them in detail.

BUSINESS INVESTMENT AND INFLATION

The Administration, apparently, does have some doubts on this point. In fact, members of the Council of Economic Advisers publicly have stated that the package of surcharge reduction and investment credit repeal would *not* have a significant impact on aggregate demand or inflationary trends in the economy. Nevertheless, much of the consideration in Congress, as evidenced by the majority report of the Joint Economic Committee, has centered on the alleged inflationary impact of the investment credit. According to that report, "First priority in tax reform should be given to repeal of the 7% investment tax credit as a significant step toward reducing inflation."

The NAM will concede to no one a greater concern over the problems of inflation today. We consistently have supported sound public policies to moderate inflationary trends in the economy, including the 10% surcharge on corporate and individual income taxes enacted last year. A significant part of our program activities have been designed specifically to alert the public to the dangers of inflation and inflationary psychology.

We fully recognize that, in the circumstances of 1969, with the labor supply stretched to its tightest point in eighteen years and the economy still reeling from the effects of past excesses of monetary and fiscal policies, any increase in spending, whether from the business, consumer, or government sectors, is to some extent "inflationary." We simply do not have the slack in our resources to take up additional demand pressures without some overheating.

Does this justify removing a part of the basic tax structure designed to make the economy more productive and competitive? We think not. Strictly from the point of view of controlling inflation, repeal of the credit could be self-defeating in the short run and have very dangerous consequences for the long run.

There is substantial agreement that changing the basic tax structure makes for poor stabilization policy. As recently as last March, Secretary of the Treasury Kennedy publicly stated: "We have no plans for tinkering with the investment tax credit. Congress intended the credit to be part of the regular tax system and not a device for stimulating or slowing the economy." The experience with the 1966–1967 suspension of the credit clearly demonstrated the wisdom of this approach.

Now the call is for *repeal* not suspension. In the minds of at least some of the advocates of repeal, the objective is countering the present inflation. To the extent that this is the objective, we would be repealing the credit in response to the same sort of economic signals that were given off at the time of the suspension in 1966—signals which later proved to have been misleading.

It is true that the Administration, in proposing repeal, maintains that it is guided by long-term considerations of national priorities, rather than the need for current anti-inflationary action. It is unlikely, however, that the Administration would have proposed repeal at this time if surveys of capital spending intentions had indicated a decline, rather than a 14% rise, in plant and equipment spending during this year. Thus realistically the case for repeal of the credit is based on the projection of a continuing rise in capital spending.

It may well be that the 14% "estimated" increase in capital spending could not be realized this year whether or not the investment credit is retained. The condition of the credit markets has deteriorated to the extent that many investment projects may have to be postponed or cancelled. As Economist William Peterson of U.S. Steel put it, "Statistical estimates of short-term economic activity are grossly insufficient grounds for major long-term changes in tax policy."

It is reasonable to assume that projects on which there are firm commitments, at this time, would go forward regardless of the availability or non-availability of the credit. But there is also the problem of lags between investment decisions and the full impact of those decisions on production and employment. As Senator Proxmire (D-Wis.) Vice Chairman of the Joint Economic Committee, pointed out recently:

". . . there is a technical lag of at least 12 months on the average between the time the investment decision is made and the plant or equipment is in the full flood of being produced. This lag was well documented by the Treasury in 1966 when suspension of the investment credit was being considered. Because of this lag, repeal of the investment credit this spring would not seriously affect investment until the spring of 1970."

Who is to say that a disincentive to investment would be appropriate a year from now even if it is conceded that the pace of capital spending should diminish at this particular time? Already there are reports that the Administration may feel it necessary in six months' time to offer some substitute incentive, perhaps in the form of a liberalized depreciation allowance. This clearly suggests that what is being labeled as repeal could in effect be another suspension, entailing all the dislocations with which we are so familiar.

Looking at the longer term, it cannot be over-emphasized that new investment in capital equipment is necessary not only to expand capacity, but to modernize it, and, therefore, to *ease* pressures on costs and prices. In fact, of course, the ultimate anti-inflationary weapon of the U.S. economy is its productivity, which must be maintained and enhanced to counter the now deeply embedded elements of inflation in our economic structure. More efficient plant and equipment and a more productive economy are particularly crucial in view of the full or near-full employment conditions that we have had since the mid-1960's with all their implications for labor costs.

The airline industry affords a clear illustration of the counter-inflationary effects of capital outlays, as stimulated by the investment credit. According to Internal Revenue Service figures, that industry has experienced the greatest reduction in its tax burden due to the investment credit. It is interesting to note that since the inception of the investment credit in 1962, capital expenditures of major U.S. airlines have more than quadrupled while the average fare per passenger mile has actually declined.

For manufacturing as a whole, prices of both durable and non-durable goods, particularly the latter, have lagged well behind the rise in over-all consumer prices over this same period, and, in fact, the prices of manufactured goods have risen only about a third as much as hourly wage rates over the same period. This could not have been the case without the substantial investments in new equipment since 1962.

Over an even relatively short span of years, capital spending for more efficient productive facilities is a *deflationary* rather than an inflationary force.

THE MATTER OF PRIORITIES

Repeal of the credit has been urged on the grounds that attention must be given to other "priorities." Yet all economic objectives depend on the *real* growth, productivity and competitive strength of the economy. The rate of business fixed investment has been relatively high since 1962 and, concurrently, the performance of the economy in terms of real growth has been relatively good. Most observers assign to the investment credit a significant, although not entirely measurable, role in this expansion. In short, the credit has worked toward fulfilling one of its important objectives—to raise productivity.

An allied objective was to make the economy more competitive internationally and we have seen progress towards this in some areas. However, because of a number of factors, including the acceleration of inflation over the last two years, our over-all balance-of-trade position has deteriorated drastically. *If ever there was a clear and present need for measures which improve our competitive stance abroad, it is right now.* This must be a prime priority for economic policy. While the Administration proposes to remove the 7% investment credit, foreign competitors will continue to utilize considerably more liberal investment incentives and, of course, enjoy considerably lower hourly employment costs.

It is very difficult to view the investment credit as a substitute for other priorities. If such a priority is the war on poverty, consider that, in the view of the President's own advisor on domestic affairs, Dr. Arthur Burns, the real growth of the economy has done more for employing and raising the living standards of the American poor than all the government poverty programs put together. If such a priority is conservation

of our environment, consider the huge investment being made in pollution control facilities spurred in part by the investment credit. New industrial plants have such facilities designed into them at the drawing board stage and as older capacity industrial plant is retired and replaced by modern manufacturing facilities, significant progress is being made by industry towards pollution control.

As the investment credit has performed valuable functions in promoting stable economic growth, employment, our international trade, and other objectives, the rationale for its repeal remains a mystery. Certainly, it should not be disposed of ligthly.

The 7% investment credit is essentially a reduction of the adverse effect of the corporate income tax on capital formation. With the credit remaining there would still be great need to assure more adequate capital supply in the 1970's. Without it this need would be magnified.

Anyone who has even casual knowledge of interest rate trends today can appreciate the fact of the worsening capital shortage in this country and, indeed, world-wide. If the private sector is to continue to provide the means for economic advancement, not to mention the additional roles it has assumed in attacking various social problems, *it must have the capital resources to do the job and a more favorable public policy towards these resources.* Repeal of the investment credit would be a step backwards.

SHUT OFF FEDERAL TAXPAYERS' FUNDS TO ANY INSTITUTION OF HIGHER LEARNING WHICH FAILS TO TAKE IMMEDIATE ACTION AGAINST STUDENT RIOTERS AND ANARCHISTS

(Mr. CHAPPELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CHAPPELL. Mr. Speaker, I yesterday introduced a bill which I must confess gave me a great deal of pain to introduce.

This bill seeks to shut off Federal taxpayers' funds to any institution of higher learning which fails to take immediate action against student rioters and anarchists.

I say this bill pains me. It does for this reason. The time has come, I am sad to say, when some college administrators seem almost totally unwilling to take the kind of effective action which would bring an end to this kind of activity on the college campus.

Therefore, much as it concerns me, it seems apparent the only alternative for this body to take is to cease the flow of Federal taxpayers' money to those institutions where, either by inaction, or, in some cases, by actual participation, the college officials in a sense condone the type of terrorist activity which in the current academic year has hit more than 200 of our college campuses in almost every State in the Union and certainly in my own State of Florida. In 1967–68, there was a total of 38,911 participants in demonstrations on college campuses. A total of 417 arrests resulted.

Property damage has run to $2.2 million and in this academic year the loss in academic pursuits caused by this activity may never be measured accurately.

In this recent statement concerning campus disorders, President Nixon said, and I quote:

When we reach the point where students, in the name of dissent and in the name of change terrorize other students and faculty members, when they rifle files, when they engage in violence, when they carry guns and knives in the classrooms, then I say it is time for faculties, boards of trustees and school administrators to have the backbone to stand up against this kind of situation.

With this, I agree. And there is something which this body can do to bolster the backbone of a few administrators! Shut off Federal taxpayers' money to them.

It is inconceivable to me that while these students roam a few campuses irrespective of law and regulation, while they advocate the overthrow of this Nation and its institutions, that the taxpayers of the country help pay the bill.

It is time for an end to anarchy by acquiescence. It is time this House of the Congress took stock of the status of this Nation's colleges. Lip service is not the answer. Federal control of education is not the answer.

The answer is strict enforcement of laws and regulations by those college administrators who are on the scene. If they choose not to enforce the laws, then they must face their own consciences and the legislative bodies of their respective States in addition to the alumni leaders of their institutions.

But at the same time, I do not believe this Congress can allow the further expenditure of public monies to foster the overthrow of the system which built the college.

I therefore ask support of this bill or a similar bill as an expression on the part of this Congress that anarchy in the name of freedom, and destruction in the guise of construction, will not be financed or tolerated by the taxpayers of this Nation.

WATER BANK ACT

(Mr. KLEPPE asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. KLEPPE. Mr. Speaker, today, Senators MILTON R. YOUNG and QUENTIN N. BURDICK of North Dakota and my colleague from North Dakota, Congressman MARK ANDREWS, and myself have joined in the sponsorship and introduction of legislation to provide a Water Bank Act. This bill is the product of the joint efforts of the North Dakota Farmers Union, North Dakota Farm Bureau, North Dakota Stockmen's Association, North Dakota Wildlife Federation, North Dakota Water Users, The Garrison Diversion Conservancy District, North Dakota Durum Growers Association, and the North Dakota Association of Soil Conservation Districts.

They realize steps must be taken now to resolve differences between farm and wildlife interests over the constant and increasing drainage of wetlands. On the one hand we see farmers experiencing a constant or decreasing return for his efforts while his taxes and cost of production and living increase. He must, out of necessity, attempt to produce more with his resources and this often means he must make better use of his land. Thus, we see a constant and increasing effort to drain the wetlands of this Nation. In North Dakota alone, almost 45,000 acres of wetlands are drained each year, and its effectiveness is seen each year in the form of increased agricultural production.

On the other hand, North Dakota is producing annually another very important resource, wildlife. Wetlands across North Dakota and many other States serve as nesting areas for many species of migratory waterfowl. The future of these species is now in jeopardy because the economic necessities of man dictate the drainage of these nesting areas. The farmer and rancher, more than anyone else, realizes this tragedy since he sees it happen first hand and has taken the financial burden of preserving this resource by not draining his wetlands. But, as the economic squeeze continues, he must relent.

Thus, we propose this water bank legislation to place the responsibility nationally for the preservation of our wetlands by providing the farmer with an economic alternative to drainage. Under the legislation, landowners could enter into contracts with the Federal Government to limit the use of wetlands and to leave them in their present condition.

Under a 10-year contract, the landowner would designate wetland areas on his farm which would not be drained or otherwise altered so as to affect their value as wetlands. In return, the landowner would receive payments based on the productive value of the land.

The farmer would have use and nonuse options. Under the former, he would continue to utilize the land for farm operations, although he would agree to refrain from any drainage or filling operations on the acreage.

Under the nonuse option, no farm operations would be undertaken on the land.

The program and payments under it would be administered by the Department of Agriculture's Agriculture Stabilization and Conservation Service.

When looking at this legislation, I think it is important to note the unanimity of opinion of the organizations involved. Whenever that takes place I am convinced of the merit of the proposed legislation.

GREATER MILITARY RESTRAINT MUST BE SHOWN IN VIETNAM

(Mr. TIERNAN asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and include extraneous matter.)

Mr. TIERNAN. Mr. Speaker, many of us in the Congress have become increasingly concerned with the continuing level of violence in South Vietnam. The death toll within the last few weeks has risen appreciably.

Much has been said by the administration concerning the fact that we can-

not reduce our combat deaths in Vietnam by showing greater military restraint. I feel that we can.

This week Americans will celebrate Memorial Day. For 35,000 American families Memorial Day has special meaning, for their sons have died in a conflict whose aims are questionable, whose toll is senseless. In 1 week alone—May 11 to the 18th—430 Americans lost their lives. They died while people talked in Paris, while people talked in the Pentagon, and while people talked in the Congress. They died less than 2 weeks after President Nixon announced that we are not fighting in Vietnam for a military victory, for military bases, for any military ties with Vietnam in the future, or even for a democratic form of government in South Vietnam. They died 1 week before the President announced his intentions to meet with South Vietnamese President Thieu at Midway. They died in time to be honored this year on Memorial Day. How many more will be honored next year?

I sincerely believe that President Nixon wants only to end our involvement in this tragic chapter in American history. I also believe that while we are negotiating an end to our involvement not one American life should be needlessly sacrificed. In order to assure this, I urge President Nixon to immediately rescind the orders of last fall to General Abrams "to keep maximum pressure on the enemy on the ground."

It is frustrating to see that, while we negotiate, the number of our offensives is up, the number of our enemy contacts is up, and our casualties are up. We have endured countless numbers of military offensives. They have, we read, resulted in many "gallant victories for U.S. troops." They have also resulted in 35,265 dead, with an average age of 20 years, thousands of wounded, and hundreds of permanently maimed men.

It is now time for a different offensive—a peace offensive. An offensive designed to reduce the number of casualties, designed to reduce our active participation in a conflict we are now trying to extricate ourselves from. The components of this offensive are the immediate withdrawal of at least 50,000 American troops; an end to all search and destroy missions and other military offensives involving the use of U.S. troops; the immediate redeployment of our military units to strategic enclaves along the coastal perimeters of South Vietnam; and the use of American air power in South Vietnam to coincide with the actions of South Vietnamese ground troops.

These steps will, I believe, create new and lasting initiatives toward peace. They will make it clearly evident to all nations where our intentions really are. They will be solid evidence of the fact, made clear by the President, that we do not seek a military victory in South Vietnam, but that we seek only peace. Many, of course, will ridicule such a proposal. They will state that we have a moral obligation, a commitment to South Vietnam. To them I say that we also have a moral obligation, a commitment, to mankind. If we can put men on the moon, then we should be able to end war and all of the suffering and hardships contingent to it here on earth.

To those who say it is unpatriotic to question our involvement in Vietnam, our role in the world, I say it is unpatriotic not to question it. We are only 6 percent of the world's population. We are neither omnipotent or omniscient. We cannot impose our will on the other 94 percent of mankind. We cannot right every wrong or reverse each adversity. There cannot be an American solution to every problem. How can we solve the problems of Vietnam, Indonesia, or Czechoslovakia if we cannot first remedy the ills of Chicago, Los Angeles, or New York? How can we ask young men to die and then tell them they cannot vote? How can we feed the multitudes abroad while living with our own hungry? How can we condemn students on campuses while we are ravaging countrysides?

We are a great and powerful Nation but we must begin to understand the limitations of power. President Kennedy once said:

> The men who create power make an indispensable contribution to the nation's greatness, but the men who question power make a contribution just as indispensable.

For several years now, soldiers and statesmen alike have discussed Vietnam in terms of the proper usage of our power—military and diplomatic. But on Memorial Day, 35,000 American families will discuss Vietnam in terms of a son, a husband, a father who is gone forever. Their discussion of the war is in much more meaningful terms—those of life and death. Is life so cheap that we can ignore these facts? How long can we continue to gamble with men's lives? The lines of the poet could well be applied to those who have died in Vietnam:

> I gave my life for freedom—this I know:
> For those who bade me fight had told me so.

Khesanh, Danang, the DMZ, and Hamburger Hill will, in the years ahead, be gallant but gruesome additions to war's hall of fame. The faces of the dead will be forgotten by all but those who loved them. We must ask ourselves as parents, as Americans, how long can we continue to let this tragic waste go on?

We have proven the credibility of our power only to unmask the illusion of our ominiscience. We have killed thousands of enemy troops. Our weapons and our soldiers have successfully met the test. But who is the real victim of this war? Is it our country, poisoned and torn by dissent and violence, or is it only 35,000 families for whom the war has reached home via a telegram from the Pentagon? Or is it the men who come home—forever scarred, physically or mentally? War has many victims. The casualty lists do not contain the death of a spirit, the demise of national pride. This is a difficult thing to pinpoint, but deep within the American psyche, I feel we have suffered the wounds of Vietnam collectively as a nation.

On this Memorial Day, while honoring the dead, we must give much more thought to what this war means in the individual terms of life and death. Is there a more precious gift than life itself or a more tragic extension of life than death? For a young boy in Vietnam, life is but the shadow of death and the dead are shadows of the living.

The promise of America for our children is not an infantryman's rifle, it is not the horror of war. It has been said that the "youth of a Nation are the trustees of posterity." How many of our children and theirs will have their posterity affected, their lives scarred, by a war that they did not start, that we seem unable to end? How many more fathers will never see their children, how many mothers, their sons? How many more men will be denied the chance to complete the process of growth that is life itself? The skills of life come so slowly, but the emptiness of death comes quickly.

The history of our involvement in Vietnam is replete with errors of judgment on all sides, mine included. We have, I think, begun to recognize many of these mistakes. But our tragedy has been that we learn so little and forget so much.

This year, let us not forget the sacrifices that thousands of gallant men have made for our country, but also let us try to learn or understand that America must stand for justice, compassion, for peace. Our obligation to mankind should be more important than our ego. As Camus wrote:

> I would like to be able to love my country and still love justice.

We must, in God's name, for our sakes and those of our children, end the war.

STUDY OF THE OIL SITUATION MUST BE CARRIED OUT IN A SPIRIT OF REALISM

(Mr. BUSH asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. BUSH. Mr. Speaker, Washington is a complete city, within which you hear many amazing things—from the astute to the absurd.

While the climate is conducive to sober and intelligent reasoning, so is it also to clamorous emotionalism. In the case of the oil import program, it is the latter aspect that currently prevails.

I would like to cite a particular case in illustration: Recently there was some allegedly serious testimony before a Senate committee suggesting that if it were not for the oil import program there would have been no massive blowout such as occurred off the Santa Barbara coast. That is a sample of what happens when emotionalism takes over the function of reason.

But there was more: this testimony advanced the theory that if we were not unduly protecting our high cost production in this country, the oil companies would not have to be pursuing—at an extra cost—marginal production offshore. In other words, if we had a lot of cheap foreign oil available, no oil company would have to turn to the expensive offshore areas for drilling, and thus there never would have been a troublesome blowout. All of this would be rather amusing if it were not so serious.

The proponents of a weaker oil import program seem totally unwilling to look at the world problems as they are. The obvious turmoil in the Middle East escapes the concern of those who attack the oil import program as merely a gimmick to perpetuate the selfish self-interest of the major oil companies and of the rich independents.

I must confess that the emotional climate created by any discussions of oil problems on Capitol Hill disturbs me deeply. It is very difficult to debate on a factual basis as my committee—the Ways and Means Committee—considers the various questions pertaining to tax reform. But especially the oil import issue is being clouded by wild and fantastic emotionalism.

Independent operators and companies alike recently gave testimony that revealed serious shortages of the national gas supply, decline in the number of wells drilled, dwindling reserves and declining figures in the ratio of reserves to production. The seriousness of this testimony was never challenged—never questioned. But it seemingly fell on deaf ears; the only result has been a highly vocal, emotional response—an argument that in this day and age of high tax burdens, oil is victimizing the American people.

We do not have to go back very far in our history to recall a time when our allies frantically turned to us for support of their needs in oil. The two Suez crises brought home to our allies the fact that the free world could not risk a dependence on Middle East oil. And yet, right here in our own country, critics of the oil import program are prepared to overlook altogether our basic national security requirements. They are simply unwillingly to face the fact that certain import controls are essentially if we are to have a strong domestic oil industry.

I would especially like to clarify one point. I feel that today there is plenty of justification for tax reform. The American taxpayer is overburdened and cries for relief. I also feel there is plenty of room to consider ways of improving the oil import program but I think these matters should be decided on the basis of facts—not by hysterical appeals to emotion.

I am hopeful that the study of the oil situation ordered by the administration will be carried out in a spirit of scrupulous realism, and I am hopeful that the bleat of the demagog will be muted, thus leaving us finally with nothing more nor less than the cold, hard facts to consider. If this be the case, I am confident that those making this study will conclude that it is in the best interests of this Nation to have a strong oil import program.

LAW AND ORDER: A DOUBLE STANDARD?

(Mr. HECHLER of West Virginia asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. HECHLER of West Virginia. Mr. Speaker, there has come to my attention a most remarkable memorandum issued by the National Coal Association which in effect instructs coal operators that they can overlook and ignore the standards of coal dust published in the Federal Register on May 20. On that date, Secretary of Labor Shultz, acting under the authority of the Walsh-Healey Public Contracts Act, set a maximum dust level of 4.5 milligrams of coal dust per cubic meter of air in all mines producing coal for Federal contracts.

Two days after the publication of this clear and unequivocal standard in the Federal Register, the National Coal Association published a memorandum which is a flagrant attempt to encourage violation of the law. The memorandum is contained in a publication entitled "The Letter of the Law," which is subtitled "A National Coal Association Report on Legal and Tax Developments." It is dated May 22, 1969. After reviewing the coal dust standards promulgated by the Secretary of Labor, the memorandum contains this astonishing paragraph:

> Your editor believes the Labor Department has imposed some "dust" standards which cannot, at the moment, be measured by any one in the Labor Department (and by few people in the Bureau of Mines); further, that the new rules do not seem to impose upon any specific person the obligation of seeing that the new rules are complied with; and still further, that in all probability coal mines which are supplying coal to TVA and other government agencies will probably be "all right" if they comply with whatever rules happen to be forthcoming from Federal legislation (expected in the near future) governing coal mines generally.

Mr. Speaker, many people wonder why so many coal miners are killed, injured, or incur pneumoconiosis—black lung. They ask: "Why can't we enact effective health and safety laws to prevent disasters such as killed 78 men at Farmington, W. Va., on November 20, 1968, and why cannot we do something effective to prevent black lung before it chokes the miners to death?" Down through the years, the coal operators have taken a very cynical attitude toward effective health and safety legislation. They have fought protection of the coal miners every step of the way. They have opposed Federal legislation, because they know that Federal inspections can be tougher than State inspections. They have tried to water down and pull the teeth on every coal mine health and safety bill which has come before the Congress. And they are doing precisely the same thing in 1969.

Meanwhile, the weak and supine attitude of the top leadership of the United Mine Workers has allowed the feudal approach of the coal barons to persist and proceed unchecked. When the Director of the Bureau of Mines, John F. O'Leary, took office on October 20, 1968, he set the stage for a newer approach in the enforcement of the law—weak though the law is—now on the statute books. Following the Farmington disaster on November 20, Director O'Leary initiated a series of moves designed to tighten up the mine inspection system and close those mines where the threat to safety created imminent danger to the coal miners. You should have heard the screams of the coal operators when the Federal inspectors went in to close down the unsafe mines. The coal operators, who had grown accustomed to violating the law, seemed to feel that they had a vested right in continuing to violate the law.

The memorandum of the National Coal Association which I quoted above is part of precisely the same pattern and attitude. We have heard a great deal about the necessity for law and order in this Nation, law and order on the campuses, law and order in our cities, law and order on the streets. Yet, here comes the National Coal Association with a direct invitation to its members to violate the law. How can we hope to have law and order or respect for the law anywhere in the Nation if the coal barons have a double standard and encourage their own members to violate the law?

Mr. Speaker, I am sure there will be those who claim that I have misread the clear import of the memorandum, or that I have "quoted it out of context," or that they really did not mean it as an incitement to violate the law. I consider this memorandum to be so serious, Mr. Speaker, that I intend to refer it to the Attorney General and to the Secretary of Labor for their comment and action.

THE LATE DR. ABRAHAM VEREIDE

The SPEAKER pro tempore (Mr. GONZALEZ). Under a previous order of the House, the gentleman from California (Mr. TALCOTT) is recognized for 25 minutes.

Mr. TALCOTT. Mr. Speaker, I have requested this time as President of the House prayer breakfast group—as well as for myself personally—to acquaint my colleagues with the life and work of Dr. Abraham Vereide. Therefore, Mr. Speaker, I ask unanimous consent to revise and extend my remarks, and also, Mr. Speaker, that all Members may have 5 legislative days within which to extend their remarks relating to the life and work of Dr. Abraham Vereide; and also, Mr. Speaker, that I may include several extraneous items, particularly, the column of David Lawrence in the Washington Star of May 19, 1969, entitled "Prayer Breakfasts Are a Memorial." Mr. Lawrence knows, because he was a founder of the prayer breakfast in Washington and in the House and Senate.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

Mr. TALCOTT. Mr. Speaker, Dr. Abraham Vereide, who was a Methodist minister and a founder of International Christian Leadership, to promote prayer breakfasts, died Friday at Montgomery General Hospital after a heart attack. He lived at 3360 Chiswick Court, Silver Spring.

Born in Norway, Dr. Vereide came to the United States in 1905 with 10 cents in his pocket. He worked for railroads and mines in Montana before gaining admission to Northwestern University's Garrett Theological Seminary.

He was ordained a minister in 1908 and was a pastor between 1910 and 1935 in

Kenosha, Wis., Spokane and Seattle, Wash., Portland, Oreg., and Boston, Mass. He became an American citizen in 1913.

Between 1921 and 1924 he was superintendent of the Pacific Northwest District of the Norwegian-Danish-Methodist-Episcopalian Church. He established a Goodwill Industries branch in Seattle during the 1920's and was associate general superintendent for Goodwill in Boston from 1931 to 1934.

With a group of 19 business executives, Dr. Vereide in 1935 founded the prayer breakfast group in Seattle—a movement aimed at cultivating Christian leadership in government, business, education, and other professions.

In 1941, Dr. Vereide came to Washington and met with Members of Congress at the Willard Hotel. The result was the formation of separate Senate and House breakfast groups which meet once a week while Congress is in session.

The meeting also led to International Christian Leadership presidential breakfasts, held at the opening of Congress each year. The group also holds breakfast meetings for Governors, mayors, and professional groups around the world. Dr. Vereide was executive director emeritus of the organization at the time of his death.

His wife, Mattle B., died January 30.

The House Thursday prayer breakfast group is the most venerable of all extralegislative groups in the House or Senate. It meets every Thursday, while the House is in session, in the Capitol for breakfast and fellowship. It is nondenominational, nonsectarian, nonpolitical, nonpartisan. The prayer group initiated the spirit and the tide of ecumenism—or cooperative religion—which is increasing today. The prayer group has enormous influence upon those who attend, the Congress and men everywhere.

The first prayer breakfast of this sort was held in Seattle during April of 1935, when a group of prominent business executives gathered at the urging of this outstanding immigrant, Dr. Abraham Vereide. One of the group frankly admitted that his "conscience no longer permitted him, as a deacon of his church, to act kind of religious on Sunday and differently during his business and social life during the week." Dr. Vereide lived his religion every day. This is the essence or the objective, I suppose, of our prayer breakfasts.

Partly because of Dr. Vereide, and partly because of the House and Senate prayer groups, there are annual prayer breakfasts sponsored by almost every Governor, many mayors, and a Presidential prayer breakfast. More significantly, at this moment, other prayer breakfasts are occurring throughout the world—privately, without notice or publicity—not just among ordained ministers, priests, or missionaries, but among lay leaders of government and business.

Members of the House, former Members and our elected counterparts from other countries are eligible to attend. The speakers and discussions are "off the record," permitting a free and open discourse and an intimate exchange of ideas. To my knowledge, there has never been a violation of this understanding of confidence.

In this Chamber we may be fiercely political, partisan, adversary and aggressive; but downstairs we can relax, speak freely, question openly, discuss thoroughly, enjoy warm fellowship and remain true friends.

All of us are grateful for Dr. Vereide's idea and his selfless, sustained efforts to perpetuate the idea of prayer breakfasts, here and throughout the world.

Additionally, Dr. Vereide was the organizer, the guiding genius and spirit of International Christian Leadership. The House prayer breakfast group is not a promoter or sponsor of the ICL, as it neither promotes nor favors any particular church or group or theology.

One Biblical meaning of "deceased" was not death, but "exodus"—a deliverance, liberation, emancipation—a beginning, a new beginning as it were.

Death to us is a physical event; but the personality, the spirituality, the important parts of a human being, lives on.

Dr. Abraham Vereide's physical body has been laid to rest. It ceased to function last Friday, May 16. But his personality may live forever. He was that unique among men.

He was a Christian, yes; he loved Christ devoutly; but he was admired and respected by men and clergy of all religions. He became a naturalized citizen of the United States in 1913, and he loved his adopted Nation truly; but he was admired and respected by many men of all nationalities. He was an uncommon man and loved by all who knew him.

He influenced thousands of men. Of all men in the theological arena today, his influence may extend the furthest and endure the longest.

All of us have many memories of Dr. Vereide. The week before he died I sat next to him at a prayer breakfast in the Senate side of our Capitol when we met with some elected representatives from Spain. He held a forceful philosophy. He was truly a disciple of Christ. Truly a man of God. It was often said that the only ability he required of any of his friends, associates or followers, was availability.

Mr. Speaker, the editorial by David Lawrence is as follows:

[From the Washington (D.C.) Evening Star, May 19, 1969]

PRAYER BREAKFASTS ARE A MEMORIAL

Abraham Vereide—the father of the prayer breakfast movement—who helped to create hundreds of prayer groups throughout the United States and in 70 countries of the world, has just passed away at his home in Washington at the age of 82.

Few men in American history, inside or outside the church, have exercised as much influence as did Dr. Vereide through the banding together of laymen of all religions to seek spiritual guidance in their personal and business life.

Dr. Vereide was responsible for the establishment in 1941 and 1942 of the Senate prayer breakfast and the House prayer breakfast, each of which meets weekly while Congress is in session. There are no sermons preached by ministers, but a member of the group acts as the leader at each meeting. All discussions are off the record.

The Senate and House groups hold a presidential prayer breakfast each year, which is attended by several hundred guests, including the President of the United States and high officials from all branches of the federal government.

There are gubernatorial prayer breakfasts annually in 47 states. In a number of states, regular gubernatorial prayer breakfasts are held similar to the weekly meetings of groups in the Senate and House.

Abroad, the movement has taken hold on every continent. In recent years, the chief of state has participated in annual prayer breakfasts in countries like Canada, Brazil and Korea.

The groups are nondenominational and nonsectarian. Persons of all faiths are invited to join in the prayer breakfasts. While the spread of the movement has been facilitated by the International Christian Leadership organization, founded by Dr. Vereide, each breakfast group in every city, state or country is spontaneously organized and operates on its own.

Dr. Vereide served for a number of years as a Methodist minister, and was for four years associate general superintendent of the Goodwill Industries of America. It was in 1935 that he put into motion the idea of the prayer breakfast group, setting up the first one in Seattle, Wash. As the movement spread, the International Christian Leadership was founded in 1947 as an instrument to encourage formation of the groups worldwide. Its basic budget of less than $80,000 a year is provided by contributions from individuals who are in the groups.

Today there are in the City of Washington alone about 40 prayer breakfast groups. Many of them are in the federal agencies, where the staff of a commission or department organizes a weekly prayer breakfast meeting. In groups throughout the country, members include judges as well as business and professional men and state and city officials. The attendance varies somewhat from week to week, but generally between 15 and 25 persons are present. This affords an opportunity for an intimacy of expression between individuals such as is not ordinarily developed.

The meetings usually begin at 8:30 a.m., and during the first half-hour of breakfast, there are conversations back and forth across the table. Both Republicans and Democrats participate. At 9 o'clock, the member who has been designated to lead presents a paper for 15 minutes, after which there is 15 minutes of discussion followed by a closing prayer.

Over the years, some close friendships have been built up in these meetings, including a better knowledge and understanding of each other between members of opposite parties. Frankness prevails, and the emphasis is on conscience and adherence to moral principles.

Even after some members of the House and Senate have left office, they frequently come back to the prayer breakfast meetings. The same experience is reported by those who attend the prayer breakfasts in the executive branch of the government here as well as in several of the parliamentary governments of the world.

Dr. Vereide's achievements have been known to a relatively small number of people, but he has left behind a lasting legacy in the form of prayer breakfast groups. It is likely not only to live on, but to grow as the movement continues to expand among the people on every continent of the globe.

Mr. ADAIR. Mr. Speaker, the passing of Abraham Vereide is a grievous loss to all of us who knew this great man. It has been the privilege of myself and my family to have been closely associated with Abraham and his family for a number of years now, and this association has indeed meant a very great deal to us.

Other speakers have detailed his life history and the work which he initiated

and carried on as only he could have done. Without Abraham Vereide, I feel quite certain we would not at this time have firmly established the presidential prayer breakfast, the prayer breakfasts for Governors of the States, and many more prayer breakfasts for mayors of our cities. This is just one, but a major one to be sure, of the many aspects of the work of this man.

He believed firmly that our national leadership and the leadership of nations throughout the world should be led by God. Convinced of this, in recent years he and his associates have established contacts in literally scores of countries throughout the world for the purpose of bringing his idea—"Leadership led by God"—to those nations.

While Dr. Vereide, being himself a minister, had the greatest respect and admiration for clergymen, he believed wholeheartedly that it was necessary also for laymen to become involved in the work of the Lord and this concept was a lodestar in his life.

Abraham Vereide was a gentle, dedicated man, who was not only, as his biographer called him, "a modern viking," but he was also truly a modern saint. Mrs. Adair and I will miss him more than we can say.

Mr. McCLORY. Mr. Speaker, I am pleased to participate in this memorial tribute to a great American and spiritual leader, Dr. Abraham Vereide. It was my privilege to meet Dr. Vereide on a number of occasions and to listen to the inspired words of faith and dedication as he uttered them with eloquence and deep feeling—albeit with a bit of his native Norwegian accent.

As the founder of the congressional prayer breakfast groups and as the principal influence behind the presidential prayer breakfast ceremony, Dr. Vereide will be remembered as long as these important activities endure.

Dr. Vereide's noble deeds and his influence for good have had a lasting effect in the world in which we live. It is my understanding that the International Christian Leadership organization which he founded has encouraged the establishment of prayer breakfast groups among public figures in more than 40 countries. Indeed, I have had the privilege of meeting representative governmental leaders from Canada, Australia, Colombia, and other countries.

There is no question in my mind that these men will continue the work which Dr. Vereide began and will want to rededicate themselves to the great tasks which Dr. Vereide undertook and which he carried on throughout his long and productive life.

Mr. Speaker, in addition to these personal expressions of respect for Dr. Vereide, I want also to thank his son, the Reverend Milton Vereide, who delivered a moving eulogy to the memory of his father at the memorial service held last week at the Fourth Presbyterian Church in Bethesda. Several of my colleagues and I attended this service, which was conducted by Dr. Richard C. Halverson, pastor of the Fourth Presbyterian Church. Other members of Dr. Vereide's family were present at the service and all indicated that they were worthy legatees of a great and lasting heritage. Fortunately for the world this heritage is shared with many others. It is gratifying to recall at this hour that this spiritually minded man brought courage, understanding, and healing to a world in dire need of these blessings.

Mr. Speaker, in expressing these thoughts, I want also to communicate to all of the members of Dr. Vereide's family my deep sympathy and affection.

ONE-BANK HOLDING COMPANIES—THE BIGGEST THREAT TO SMALL BUSINESSMEN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. PATMAN) is recognized for 45 minutes.

Mr. PATMAN. Mr. Speaker, the small- and medium-sized businessman is facing one of the greatest threats to his existence in this country.

That threat is in the form of the one-bank holding companies which have sprung up all over this Nation.

Through this loophole in the 1956 Bank Holding Company Act, these banks are able to use the holding company device to grab off small businesses of all kinds—everything from insurance to travel agencies. There is not a single small business enterprise that is not endangered by this movement of one-bank holding companies.

Yet, Mr. Speaker, most small businessmen and their organizations and lobbyists are standing idly by and watching this trend overwhelm them from all sides. The small businessman had better wake up before it is too late.

Mr. Speaker, the Banking and Currency Committee has just completed hearings on legislation to control these holding companies and to prevent the banks from using their monopoly powers to absorb and destroy other nonbanking businesses.

H.R. 6778, which I introduced on February 17, would place the one-bank holding companies under the regulation of the 1956 Bank Holding Company Act. In short, under H.R. 6778, banks would have to be banks. They could not use the holding company device to become predators in the business community.

Anything that the bank holding company did would have to be "closely related to banking" under the provisions of H.R. 6778.

The Nixon administration and its Secretary of the Treasury, David M. Kennedy, have proposed a countermeasure which would give the one-bank holding company broad leeway to move into nonbanking fields. The administration's proposal would allow the bank holding companies to acquire anything that they could show was "related to finance in nature."

Everything in this economy, of course, is "related to finance" in some manner. So the administration language is simply an open invitation to the big banks to start after the small businessman in earnest.

The administration legislation—if adopted—would declare "open season" on America's small business community.

The administration bill would be a giant step toward the concentration of power in a handful of large banks with a variety of business enterprises as satellites in the holding company web. Every movement in business would revolve around a large commercial bank as the center of a holding company operation.

It would lead to what Dr. Willard Mueller of the Federal Trade Commission was describing when he said:

> If the present accelerated trend of merging nonrelated companies continues, all major economic decisions in the United States may be made by less than 200 persons within a decade.

This trend poses a serious threat not only to the small merchant who faces the loss of his business, but to every consumer. Under a system of huge cartels, controlled by the financial giants, the consumer does not have a chance. His demands for better goods and lower prices will be ignored if we allow the economy to be concentrated in a few hands through this holding company device.

Already these bank holding companies—using the one-bank loophole—have moved into more than 100 different types of nonbanking enterprises around the country. They control department stores, agricultural enterprises, manufacturing. And in some cases, they have even grabbed off the communications media and are operating radio and television stations.

The list of businesses the banks have grabbed off through the one-bank holding company device is endless. They include farms; jewelry stores; insurance companies; real estate operations of all kinds, including serving as agents, brokers and managers; hotels and motels; motion picture production firms; motion picture theaters; hospitals; hardware stores; railroads; trucking firms; warehouses; tire and tube companies; soft drink bottling companies; motor vehicles equipment; building contractors; mail-order houses; wholesale grocery operations; and automobile rental firms.

The list goes on and on and it is growing daily.

So it is obvious that no business—not a single small businessman—is immune from this takeover by the one-bank holding companies. And it is time the small business community realized this fact. They have been tremendously slow to react to this danger.

Mr. Speaker, I want to be specific about some of these danger areas.

The travel agency business traditionally is a small business and it faces extinction unless we regulate these one-bank holding companies. The administration unfortunately has announced that it has no objections to the banks moving into the travel business. In other words, the 6,000 small businessmen who operate travel agencies will lose their enterprises to the bank holding companies with the administration's blessing.

This Congress has a great opportunity—the opportunity to save 6,000 small businesses in this one area alone.

In defense of their acquisition of travel agencies, the banks have been spreading the propaganda line that they have always been in the travel business. They claim that they should be allowed to continue what they claim is a traditional service. This is so much hogwash.

The banks were not in the travel agency business in any meaningful fashion until the Comptroller of the Currency, James J. Saxon, illegally ruled in 1962 that no restrictions should be placed on national banks' entry in this field. That opened the door and now the administration is seeking to legalize and legitimize the Saxon ruling through the one-bank holding company bill, H.R. 9385.

Let us see just how true the banks' claims are about their longstanding activity in the travel business. The truth is, Mr. Speaker, that only 40 banks nationwide were engaged in any form of the travel business in 1958. But after the Saxon ruling, that number doubled almost overnight and by the beginning of this year it had grown to 150 banks. In other words, the big rush came on the heels of the Saxon ruling. And it is safe to assume that most of the major banks would move into the travel business if the broader administration version of the holding company legislation is enacted.

Mr. Speaker, the testimony of Peter H. Grimes, of Concord, Mass., who operates travel agencies in three towns clearly illustrates what these small businessmen are up against when the bank holding companies are allowed to move in. Here is what he said:

Travel agents are not afraid of competition, in fact they thrive on it. However, a bank as a competitor is a different matter.

No other business institution with such overpowering assets could potentially exert the pressure and influence as a bank can. At the same time banks are protected by law against non-banking competitors.

Travel agents must use banks to handle their deposits, receipts, and payments. Consequently, the bank has a ready made source of information on anything the travel agency customer does. With their wholesale adoption of computer techniques, the bank can analyze the travel business from any angle and can bring to bear upon its complexities the entire resource of a banking enterprise.

If the bank acts as confidential financial advisor to the agent, that is one thing, but if the bank uses its privileged position as a competitor, or even a potential competitor, that is quite another.

Mr. Speaker, the Congress should not allow the banks to swallow up these 6,000 small businessmen.

And even more vulnerable to the predatory raids of the one-bank holding companies is the data processing industry—a new and growing field. The banks have spotted this lucrative area and have every intention of taking over the hundreds of new enterprises that have entered data processing in the last few years.

Today there are about 1,600 data processing firms, two-thirds of which have gross income of $300,000 or less per year. They are small- and medium-size businessmen.

But, the banks are moving fast under the claim that they have "excess capacity" in their own computers and that they must be allowed to sell this excess in competition with the data processing industry. Of course, it is obvious that the banks are consciously investing in larger and larger data processing equipment for the very purpose of moving outside of the banking area.

The president of United Data Centers, Inc., Mr. Bernard Goldstein, appeared before the Banking and Currency Committee on April 29 and described the situation in this manner:

The word "conglomerate" is a little tarnished today, but—it is explicit. That is why the banks have selected a newer and softer word: congeneric. The intent remains exactly the same. Let banking organizations explain the congeneric relationship to one of their first targets, data processing services—it cannot be done. The usual attempt is in terms of excess hardware—but we who are informed know that this is not so. First, computers come in all sizes, costs, and speeds; hence selectivity will solve excess capacity. Second, for those banks still too small for their own small computer, larger correspondent banks are frequently most willing to provide standard bank data processing. Finally, for those banks both too small for their own computer and obsessed with not wanting their correspondent banks to be exposed to confidential data, Congress has already provided enabling legislation for bank data processing cooperatives.

Forgive me if I say that the great national banks have given birth not to a mere mouse—but to a rat. And, as you know, a rat is much bigger, much uglier, a much hungrier animal. And, gentlemen, do not doubt for a minute that, in the spirit of the rat, the One Bank Holding Companies, with the encouragement provided by Comptrollers of the Currency who only say "yes", and of deceptive placebos like the Administration Bill before this Committee, will gobble up countless companies until they metamorphose, sooner than you think, into cartel-like, Japanese-style industrial giants capable of modifying the fabric of our national life.

Needless to say, this sort of industrial giant we have described may be well suited to the needs of a country like Japan and that is the business of the Japanese. But, what you must ask yourselves is, "are they suited to the future needs of this country?" And—even more important—are they compatible with our traditional freedom, particularly the freedom of opportunity?

And closely related to this grab in the data processing field is the big banks' giant stride in providing accounting services. In many communities, the big banks are engaging in unfair competitive practices against the thousands of professional accountants and certified public accountants.

Nationwide, there are an estimated 100,000 independent CPA's, at least another 50,000 professional accountants. These independent, small businessmen cannot compete with the banks and they should not be expected to do so.

Here, as in other areas, the possibilities for the banks to force "tie-in" arrangements are unlimited. The bank which makes the local businessman a $50,000 loan can quietly urge him to use the bank's own accounting services. The individual accounting firm cannot meet this type of competition.

The administration bill, H.R. 9385, specifically turns the Nation's insurance business over to the bank holding companies. It does not even attempt to hide this fact. It is in the language of the bill.

This poses an extreme danger to the nearly 600,000 people who are employed in insurance agency businesses throughout the Nation. These agencies are, for the most part, small local enterprises, one of the cornerstones of our free enterprise system. Already, in many States, these insurance agencies are fighting for their lives against the encroachment of the big bank holding companies, which are moving into the insurance agency business. And now the administration bill would legalize this massive raid on thousands of small insurance agents.

Actually, the insurance agent faces an attack from two sides in the administration bill. There is nothing in the administration bill that would prevent a bank holding company from moving directly into the insurance agency business. But, more significant, is the fact that the administration bill would allow the bank holding companies to acquire huge insurance companies. And when this is done, you can rest assured that the bank holding companies will establish their own agencies and in most cases will not even bother to buy out the existing agencies. They will just create their own and force the existing agencies out of business.

There is little doubt that the big banks, which have formed one-bank holding companies, have their eye on the large insurance companies. For example, the First National City Bank of New York, the Nation's third largest bank, has announced plans to acquire the huge Chubb Insurance Corp., one of the Nation's largest.

And various news media have indicated possible mergers between Chase Manhattan National Bank and Travelers Insurance Company; Manufacturers Hanover Trust Company and the Continental Insurance Companies; and Morgan Guaranty Trust and Aetna Life Company.

These banks, along with the First National City Bank, hold almost 16 percent of the financial and trust assets of all commercial banks in the United States. The four insurance companies comprise almost 6 percent of all the insurance company assets in the United States. By combining the bank holding companies and these insurance companies, four banking institutions would control approximately $115 billion worth of assets.

This is the kind of concentration of economic power that is implicit throughout the administration's bill.

The one-bank holding company situation also poses real dangers to the banks operating in the small- and medium-sized communities around the country. The one-bank loophole provides the means for the big banks to make the "boardinghouse reach" into territories of locally owned banks.

Through this device, a large bank can come in and absorb major businesses right in these communities. A local factory—perhaps the major employer in a town—can be absorbed overnight as a

subsidiary of one of these holding companies. And when this happens, do you think the local bank will continue to handle the payroll and the account of this concern? Do you think that this factory will be turning to the local independent bank for loans?

The answer is obvious. That factory will be operated as a wholly owned subsidiary of the financial conglomerate. It will be turning to the holding company's own bank for all service in the financial area.

Once this local enterprise is absorbed, its days may well be numbered as a member of the community. The decisions to close the plant, to expand it, to diversify it, will not be made locally, but in the offices of the absentee financial conglomerate. This is no theory. This kind of disappearance of small firms as a result of conglomerate activities is occurring all over the Nation.

The Assistant Attorney General for Antitrust in the Nixon administration, Richard McLaren, has expressed great alarm over this very fact. And I quote from Mr. McLaren's testimony before the Ways and Means Committee of the House of Representatives recently:

> I am concerned over the human dislocations which result from these mergers. When the headquarters of one or two large companies are moved from a smaller city to New York, Chicago, or Los Angeles, there is a serious impact upon the community . . . the community loses some of its best-educated, most energetic and public-spirited citizens. Even some larger cities may become "branch house cities" whose major business affairs are directed by absentee managers.

Mr. Speaker, unfortunately, many people have defended the banks' boardinghouse reach by talking about the need to "modernize" and the need to "be contemporary" and the need to "innovate."

These defenders of the banks' boardinghouse reach are now claiming that business innovation is dependent on the concentration of economic power in the hands of a few commercial bank holding companies.

No one disagrees with the need to have an innovative enterprise system in this Nation. I am all for it. But I do not accept the theory that the banks are the only enterprise that can provide innovation. If we are dependent on the banks for innovation, then the Nation is indeed in a serious situation. The banks have traditionally been the very opposite of innovative. The concentration of this power as contemplated in the administration's holding company bill would stifle competition and would put an end to innovation.

Competition has always been the moving force behind innovation in the American free enterprise system. The whole history of banking and banking legislation recognizes that banks are in a privileged position in the economy. They are, for all practical purposes, monopolies, granted certain rights, immunities, and limitations. They have great privileges—necessary privileges—which no other corporation enjoys.

It is improper and wrong for the banks now to ask that they be allowed to move into nonbanking areas with these special privileges and immunities. Carrying with them their special status as monopolies, or quasi-monopolies, the banks can only be "unfair competitors" in these nonbanking areas.

It is the responsibility of the Congress to make sure that the special privileges and rights that it has granted the banks are not used to compete unfairly with other segments of the business community. The banks have been accorded a special place in the economy with special responsibilities. They should be required to remain in the area of banking. They should not be allowed to move into other fields such as insurance, travel agencies, or accounting, any more than these businesses should be allowed to become banks.

Mr. Speaker, I have talked about a few of the small business enterprises directly threatened by the one-bank holding companies and by the laxity of the administration's approach to regulation in this area. But, let me emphasize that the dangers are not limited to the enterprises I have mentioned here. Every businessman, every enterprise, is under attack from these one-bank holding companies.

It is unfortunate that so few small businessmen and small business organizations have come forward to defend their position before the Congress. It is unfortunate that so little is being done to counter the lobbying being engaged in by the Treasury Department and the big banks. Mr. Speaker, I hope that the organizations that are supported by the small businessmen throughout the country will go to work on this issue. I hope that they will alert their membership to the grave dangers. Frankly, I do not understand the lack of activity on the part of the small business community. This legislation is life or death for them.

Likewise, Mr. Speaker, I hope that the consumer organizations and others who have long spoken out against unfair competition and against monopoly will come forward before this legislation is enacted. The consumer organizations have as much to lose as anyone if the big banks are allowed to change the economic system in this manner.

Mr. Speaker, many of us on the Banking and Currency Committee are willing to make the fight to control the predatory activities of these one-bank holding companies. But it is necessary that the groups affected come forward and present their case to all Members of the Congress. Now is the time to act.

FIVE-TO-FOUR DECISIONS: THE TIME FOR A RULING BY CONGRESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. SAYLOR) is recognized for 30 minutes.

Mr. SAYLOR. Mr. Speaker, through the courtesy of the Library of Congress, I am today able to present for publication in the CONGRESSIONAL RECORD a compilation of 5-to-4 decisions by the Supreme Court over the past 15 years.

I offer this information as additional evidence of the need to adopt House Joint Resolution 82, to provide that Congress, by a two-thirds vote of both Houses, be enabled to override a decision by the Supreme Court. In offering this list I wish to point out that my request to the Library involved only the so-called liberal rulings by the Court and that I would welcome an addendum of so-called conservative decisions should any of my colleagues feel it advantageous to provide such material. Every such verdict, regardless of which viewpoint it may reflect, supports my position on House Joint Resolution 82.

The appearance of 5-to-4 decisions is especially timely in view of the current furor over the Abe Fortas affair. The case underscores the danger of permitting one branch of Government, in which a single individual has virtually immutable power over the life and property of every citizen, to function without the semblance of the restraint intended in our system of checks and balances. Now that the fallibility of the Court is finally admitted, Congress should lose no time in pursuing a course necessary to protect this Nation from further misinterpretations of the Constitution and misuse of authority granted by the Constitution.

Our responsibility to act now may have been foreseen many years ago, for Thomas Jefferson wrote in 1823:

> At the establishment of our Constitution, the judiciary bodies were supposed to be the most helpless and harmless members of the government. Experience, however, soon showed in what way they were to become the most dangerous; that the insufficiency of the means provided for their removal gave them a free hold and irresponsibility in office; that their decisions, seeming to concern individual suitors only, pass silent and unheeded by the public at large; that these decisions, nevertheless, become law by precedent, sapping, little by little the foundations of the Constitution, and working its change by construction, before any one has perceived that that invisible and helpless worm has been busily employed in consuming its substance. In truth, man is not made to be trusted for life, if secured against all liability to account.

Earlier in 1821, Jefferson had written:

> It is a misnomer to call a government republican, in which a branch of the supreme power is independent of the nation.

Rather than permit the Supreme Court to remain independent of the Nation and free to undermine the intent of the Constitution and the responsibility of the legislative branch, I submit that Congress is obligated to adopt House Joint Resolution 82 not only to apply effectively the system of checks and balances but also to restore the confidence of the people in a government currently under serious criticism.

Congress is not alone in protesting the Court's penchant for making laws to conform with the idiosyncratic philosophies and notions of a bare majority. Conscientious Justices themselves are becoming increasingly concerned at the unauthorized broadening of the judiciary's prerogative by the Supreme Court.

Because his remarks are so pertinent at this time, I ask that the RECORD show the complete article by Justice Hugo Black that appeared in the Washington Sunday Star of March 24, 1968. It follows:

JUDICIAL "ACTIVISM" AND "RESTRAINT": A JUSTICE DEFINES THE DIFFERENCE

(By Justice Hugo Black)

Judges may also abuse power, of course, not because they are corrupt, but because of a completely honest belief that unless they do act the Nation will suffer disaster. Unfortunately such honest beliefs too often reflect nothing more than an all-too-common human hostility to change.

Other judges, with an equally honest belief that changes are absolutely imperative, take it upon themselves to make changes which Congress alone has legislative power to make. Thus, for the reasons that I have been discussing I strongly believe the public welfare demands that constitutional cases must be decided according to the terms of our Constitution itself and not according to the judges' views of fairness, seasonableness or justice . . .

JUDICIAL ACTIVISM

With what I have said in mind, I would next like to discuss a name which of late years has crept into our vocabulary and which has frequently been applied to me, "judicial activist." In the main this term has been used as one of criticism and reproach aimed at federal judges, particularly Justices of the United States Supreme Court who, in deciding cases before them, are charged with either (1) being willing or even anxious to determine constitutional questions that could have been avoided or (2) determining constitutional and other legal questions not on the basis of what the law is but on what the deciding judges believe it should be. Since this name "activist" has been applied to me as a label, which unfortunately I think has served as a substitute for careful thinking and writing and also as a fallacious shortcut to unjustified conclusions, I would like, so to speak, to set the record straight.

There is one school of legal thought that seems to rest on the premise that it is an unpardonable constitutional sin for a judge to decide a case on a constitutional ground if there is any possible excuse either to refuse to decide it at all or to decide it on some statutory or other non-constitutional ground. A violation of this judge-created judicial offense is often given the bad sounding label of "judicial activism" and the judge who commits the sins is branded an activist.

I cannot myself subscribe to the view that judges should always and invariably avoid a determination of constitutional questions if it is any way possible to dispose of a particular case on a non-constitutional ground. There are few cases, if any, where judges cannot conjure up and articulate arguments that are at least plausible to get rid of cases on non-constitutional grounds. Such a resort to merely plausible reasons to avoid deciding constitutional questions has never seemed to me to be an ennobling example of judicial piety, morals or ethics. The necessity for complete candor in deciding cases cannot, in my opinion, be outweighed by any supposed dogmatic imperative to avoid constitutional questions.

THE PUBLIC WELFARE

There come times when the public welfare calls loudly for putting an end to constitutional doubts about laws that may vitally affect the daily lives and practices of millions of people. Such doubts about highly valuable constitutional or statutory rights may cause delays in their enjoyment tantamount to their complete destruction. And persons subjected to burdensome duties by new untested statutes frequently may be caused to suffer irreparable losses by dilatory judicial practices that prevent constitutional tests of those new laws in the courts.

A good example of this kind of thing is the statute establishing the Subversive Activities Control Board. This is a law, which as I stated in my dissenting opinions in *Communist Party v. Subversive Activities Control Board* and *American Committee for Protection of Foreign Born v. Subversive Activities Control Board*, is a bill of attainder; imposes cruel, unusual and savage punishments for thought, speech, writing, petition and assembly; and stigmatizes people for their beliefs, associations and views about politics, law and government. And yet since 1951, when a three-judge District Court in *Communist Party v. McGrath* refused to rule on the constitutionality of the Subversive Activities Control Act, important provisions of this statute have been enforced.

In case after case affecting so-called "communist front" organizations the parties have been told that the crucial constitutional issue was not yet ripe. This reached what in my mind was the height of absurdity in the case of *Veterans of the Abraham Lincoln Brigade v. Subversive Activities Control Board*, where, after fighting their way up through the tangled web of administrative and judicial review for 10 years, the petitioners' constitutional questions, when they finally reached the Supreme Court, were remanded to the lower court because of the staleness of the record.

DUBOIS CLUBS

Again this term the DuBois Clubs of America attempted to challenge the constitutionality of the Subversive Activities Control Board, and you would think that after 16 years those associations threatened by the Act would finally be entitled to a decision by the Supreme Court as to just how far Congress can go in establishing a pervasive regulatory scheme in the First Amendment field of speech, assembly and association. But once again a majority of the Court refused to meet and decide the constitutional issues. (*WEB DuBois Clubs of America* v. *Clark*, —— *U.S.* ——.) In this case there was a clear possibility that the delay involved could very well result in the disintegration of the affected organization before it could have its constitutional claims adjudicated since the pressure inherent in registering with the Board had already begun to take its toll.

Indeed, as the petitioners pointed out in *DuBois*, the Attorney General himself had said that "one of the major purposes of the Act" was to destroy affected organizations before administrative proceedings began and that "most groups petitioned [to register] become defunct or dissolved before action could be taken." My reaction to this is that it is an outrageous violation of our Constitution that such a Board, which serves no useful function and to some extent at least appears to have become a sinecure for politically expedient appointments, is allowed for any length of time to curtail the exercise of the First Amendment rights of speech, assembly and association. And this has been allowed to happen because of a judge-created doctrine that it is inherently good to avoid constitutional issues.

Here another label or name comes into focus; it is "judicial restraint." For this is the term frequently applied to the doctrine of avoiding constitutional questions and leaving them up in the air as long as there is a possibility of deciding a case on other grounds. Once again I think this term is ambiguous and ill-conceived and when used in this way, it is right to say that I am no apostle of this kind of judicial restraint, although, as I have made clear earlier, I believe strongly that judges are restrained by the Constitution, and that changes in that basic charter should be made by the people and their representatives and not by judges.

JUDICIAL ABDICATION

By avoiding constitutional issues in cases such as those concerned with the Subversive Activities Control Board and others to which I need not now refer, I think the Supreme Court abdicates the responsibility assigned it under Marbury v. Madison, with which I fully agree, that the Judicial Department of our Government has the last word in deciding whether a statute is in accord with the Constitution. As Justice Marshall said there:

"The powers of the Legislature are defined and limited; and that those limits may not be mistaken, or forgotten, the Constitution is written. To what purpose are powers limited, and to what purpose is that limitation committed to writing, if those limits may be, at any time, be passed by those intended to be restrained? . . . Certainly all those who have framed written constitutions contemplate them as forming the fundamental and paramount law of the nation, and, consequently the theory of every such government must be, that an act of the legislature, repugnant to the Constitution is void. This theory is essentially attached to a written constitution . . ."

I believe that the responsibility of judicial review was fully understood by those who wrote the Constitution, and certainly by those who most carefully considered the problem. This fact is shown, I think, by the Federalist papers, the records of the debates in the Constitutional Convention and in the States, and the Annals of Congress' report of the debates on the Bill of Rights. Madison, himself, in arguing for adoption of the Bill of Rights stated:

"If they are incorporated into the Constitution, independent tribunals of justice will consider themselves in a peculiar manner the guardians of those rights; they will be an impenetrable bulwark against every assumption of power in the Legislative or Executive; they will be naturally led to resist every encroachment upon rights expressly stipulated for in the constitution by the declaration of rights."

JUDICIAL OBSTACLES

I think that the Framers were right in believing that such judicial power is an essential feature of our type of free government, and I believe it ill behooves the courts to restrict their usefulness in protecting constitutional rights by creating artificial judicial obstacles to the full performance of their duty.

The essential protection of the liberty of our people should not be denied them by invocation of a doctrine of so-called "judicial self-restraint." This term has been made an alluring one by its worshippers connoting noble judicial conduct, somewhat as the term "judicial activism" has been used to connote something ignoble.

But, as I have tried to make clear, when judges have a constitutional question in a case before them, and the public interest calls for its decision, refusal to carry out their duty to decide would not, I think, be the exercise of an enviable "self-restraint." Instead I would consider it to be an evasion of responsibility.

In sum, I think determining when a judge shall decide a constitutional question calls for an exercise of sound judicial judgment in a particular case which should not be hobbled by general and abstract judicial maxims created to deny litigants their just deserts in a court of law, perhaps when they need the court's help most desperately.

Consequently, if it is judicial activism to decide a constitutional question which is actually involved in a case when it is in the public interest and in the interest of a sound judicial system to decide it, then I am an "activist" in that kind of case and shall, in all probability, remain one. In such circumstances I think "judicial self-restraint" is not a virtue but an evil.

MATTER OF OPINION

When I get to the other meaning of "judicial activist," however, namely, one who believes he should interpret the Constitution and statutes according to his own belief of what they ought to prescribe instead of what they do, I tell you at once I am not in that group. The courts are given power to inter-

pret the Constitution and laws, which means to explain and expound, not to alter, amend or remake. Judges take an oath to support the Constitution as it is, not as they think it should be.

I cannot subscribe to the doctrine that consistent with that oath a judge can arrogate to himself a power to "adapt the Constitution to new times." The soft phrases used to claim that power for judges have siren-like appeal. For one who has a legitimate power to interpret there is at first a certain persuasive note in the constant repetition to him that in explaining a Constitution meant for the ages he should not stick to its old 18th century words but substitute others to make the Constitution best serve the current generation. And there is a certain appeal in the argument that the dead should not control the living. But adherence to the Constitution as written does not mean we are controlled by the dead. It means we are controlled by the Constitution, truly a living document. For it contains within itself a lasting recognition that it should be changed to meet new demands, new conditions, new times. It provides the means to achieve these changes through the amendment process in Article V. Twenty-two Amendments have been added since the Constitution was adopted, some of them with very little difficulty or delay, and I have no doubt that others will be adopted when the sound views of the people call for them. . . .

Nor should Congress overlook these earlier remarks of Justice Black at the Columbia University Law School Carpentier Lectures:

Other judges, with an equally honest belief that changes are absolutely imperative, take it upon themselves to make changes which Congress alone has legislative power to make . . .

The Courts are given power to interpret the Constitution and laws, which means to explain and expound, not to alter, amend, or remake.

A present member of the Court who apparently is of the opinion that the Court must take upon itself the duty to change laws is Justice William Brennan, if the following paragraphs appearing in the Washington Daily News are from an accurate account of his address to the National Council on Crime and Delinquency:

Justice Brennan said case after case brought before the court showed that neither congressional nor state legislation had been taken to enforce the Constitution.

"All too often," he said, "the practical choice has been between the court doing the job or no one doing it at all."

In his dissent to the Wesberry against Sanders decision in 1964, Justice John Marshall Harlan wrote:

This Court, no less than all other branches of the Government, is bound by the Constitution. The Constitution does not confer upon the Court blanket authority to step into every situation where the political branch may be thought to have fallen short. The stability of this institution ultimately depends not only upon its being alert to keep the other branches of government within Constitutional bounds, but equally upon recognition of the limitations on the Court's own functions in the constitutional system.

In the infamous Miranda case, Justice Harlan was joined by Justices Byron White and Potter Stewart in expressing astonishment that the Constitution can be read to support the Court's new rules on custodial police interrogation.

New rules and new laws and new policies by the Supreme Court cannot be tolerated, Mr. Speaker. Justice White stated further in his dissent on the Miranda ruling:

If the Court is here and now to announce new and fundamental policy . . . (its) text and reasoning should withstand analysis . . . and not proceed . . . on speculation alone . . . There is, in my view, every reason to believe that a good many criminal defendants, who otherwise would have been convicted on what this Court has previously thought to be the most satisfactory kind of evidence, will now . . . either not be tried at all or acquitted, if the state's evidence, minus the confession, is put to the test of litigation . . . In some unknown number of cases the Court's rule will return a killer, a rapist or other criminal to the streets . . . to repeat his crime wherever it pleases him.

For the further elucidation of my colleagues on the desirability of adopting House Joint Resolution 82, I include the Library of Congress' brief statements on the significance of each of the landmark 5-to-4 rulings in the RECORD.

The 5-to-4 rulings alone explain why convicted criminals prowl the streets, Communists cannot be kept off of our school faculties or out of our defense plants, military deserters can flee to other countries without fear of being stripped of U.S. citizenship and obscene material is being distributed to children scarcely out of the Walt Disney age groups.

The Library of Congress material follows:

THE LIBRARY OF CONGRESS,
Washington, D.C. November 2, 1964.

From: American Law Division.
Subject: 5 to 4 Supreme Court decisions. 1954–1963.

This will refer to your request of October 26, 1964 for the number of 5 to 4 United States Supreme Court decisions in the last ten years on constitutional questions.

During the October Term, 1954 to October Term, 1963 the Supreme Court rendered 88 decisions on a veto of five to four on constitutional questions (including companion cases decided with the main opinion, but not including decisions and orders of the court without opinion). Since it is frequently difficult to invoke a clear distinction between a "constitutional" question and one which does not involve a constitutional problem, we have also included a further list, so as to furnish a complete tabulation of all 5 to 4 opinions during this period. On other questions (e.g., statutory interpretations, criminal procedure) there were 74 five to four decisions.

The constitutional decisions are:

1. Ellis v. Dixon, 349 U.S. 458 (1955).
2. U.S. v. Twin City Power Co., 350 U.S. 222 (1956).
3. Slochower v. Board of Education, 350 U.S. 551 (1956).
4. Griffin v. Illinois, 351 U.S. 12 (1956).
5. Delli Paoli v. U.S., 352 U.S. 232 (1957).
6. In re Groban, 352 U.S., 330 (1957).
7. Pollard v. U.S., 352 U.S. 354 (1957).
8. Rowoldt v. Perfetto, 355 U.S. 115 (1957).
9. Moore v. Michigan, 335 U.S. 155 (1957).
10. Green v. U.S., 335 U.S. 184 (1957).
11. Lambert v. U.S., 355 U.S. 225 (1957).
12. City of Detroit v. Murray Corp., 355 U.S. 489 (1958).
13. American Motors Corp. v. Kenosha, 356 U.S. 21 (1958).
14. Peroz v. Brownell, 356 U.S. 44 (1958).
15. Trap v. Dulles, 356 U.S. 86 (1958).
16. Brown v. U.S., 356 U.S. 148 (1958).
17. Green v. U.S., 356 U.S. 165 (1958).
18. Thomas v. Arizona, 356 U.S. 390 (1958).
19. Public Service Comm. v. U.S. 356 U.S. 421 (1958).
20. Ciucci v. Illinois, 356 U.S. 571 (1958).
21. Kent v. Dulles, 357 U.S. 116 (1958).
22. Dayton v. Dulles, 357 U.S. 144 (1958).
23. Hanson v. Denckla, 357 U.S. 235 (1958).
24. Gore v. U.S., 357 U.S. 386 (1958).
25. Bohlen v. Board of Education, 357 U.S. 399 (1958).
26. Crooker v. California, 357 U.S. 433 (1958).
27. Lerner v. Casey, 357 U.S. 488 (1958).
28. The Tanges v. Skovgaard, 358 U.S. 588 (1959).
29. United Pilots Association v. Halecki, 358 U.S. 613 (1959).
30. Brown v. U.S., 359 U.S. 41 (1959).
31. Bartrus v. Illinois, 359 U.S. 121 (1959).
32. The Monrosa v. Carben Black, Inc., 359 U.S. 180 (1959).
33. Frank v. Maryland, 359 U.S. 360 (1959).
34. Irvin v. Dowd, 359 U.S. 394 (1959).
35. Uphaus v. Mycas, 360 U.S. 72 (1959).
36. Barenblatt v. U.S., 360 U.S. 109 (1959).
37. Allegheny County v. Nashuda Co., 360 U.S. 185 (1959).
38. Anonymous v. Baker, 360 U.S. 287 (1959).
39. Rosenberg v. U.S., 360 U.S. 367 (1959).
40. Carr v. Matteo, 360 U.S. 564 (1959).
41. In re Sawyer, 360 U.S. 622 (1959).
42. Abel v. U.S., 362 U.S. 217 (1960).
43. Mitchell v. B. B. Zachry Co., 362 U.S. 319 (1960).
44. Parker v. Ellis, 362 U.S. 574 (1960).
45. Levine v. U.S., 362 U.S. 610 (1960).
46. Kiam v. Rosenberg, 363 U.S. 405 (1960).
47. Flemming v. Nester, 363 U.S. 603 (1960).
48. Gonzales v. U.S., 364 U.S. 59 (1960).
49. Wolfe v. North Carolina, 364 U.S. 177 (1960).
50. Elkins v. U.S., 364 U.S. 206 (1960).
51. Rios v. U.S., 364 U.S. 253 (1960).
52. McPhanl v. U.S., 364 U.S. 372 (1960).
53. Shelton v. Tucker, 364 U.S. 479 (1960).
54. Carr v. Young, 364 U.S. 479 (1960)—companion case to Shelton, *supra*.
55. Times Film Corp. v. Chicago, 365 U.S. 43 (1961).
56. Wilkinson v. U.S., 365 U.S. 399 (1961).
57. Braden v. U.S., 365 U.S. 431 (1961).
58. Stewart v. U.S., 366 U.S. 1 (1961).
59. Konigsberg v. State Bar, 366 U.S. 36 (1961).
60. In re Anastalpo, 366 U.S. 82 (1961).
61. Cohen v. Harely, 366 U.S. 117 (1961).
62. Eli Lilly and Co. v. Sav-On-Drugs, 366 U.S. 276 (1961).
63. Communist Party v. Control Board, 367 U.S. 1 (1961).
64. Scoles v. U.S., 367 U.S. 203 (1961).
65. Gori v. U.S., 367 U.S. 364 (1961).
66. Poe v. Ullman, 367 U.S. 497 (1961).
67. Baxton v. Ullman, 367 U.S. 497 (1961)—companion case to *Boxton*.
68. Cafeteria Workers v. McUlroy, 367 U.S. 886 (1961).
69. Killian v. U.S., 368 U.S. 231 (1961).
70. Oyler v. Boles, 368 U.S. 448 (1962).
71. Crabtree v. Boles, 368 U.S. 448 (1962)—companion case to *Oyler*.
72. Mong Sun v. U.S., 371 U.S. 471 (1963).
73. Kennedy v. Mendoza-Martinez, 372 U.S. 144 (1903).
74. Rusk v. Cort, 372 U.S. 144 (1963).
75. Townsend v. Sain, 372 U.S. 293 (1963).
76. Draper v. Washington, 372 U.S. 487 (1963).
77. Gibson v. Florida Legislative Committee, 372 U.S. 539 (1963).
78. Downum v. U.S., 372 U.S. 734 (1963).
79. Florida Avocado Growers v. Paul, 373 U.S. 132 (1963).
80. Haynes v. Washington, 373 U.S. 503 (1963).
81. Fahy v. Connecticut, 32 United States Law Week (LW) 4021 (1963).
82. Rugendorf v. U.S. 32 LW 4298 (1964).
83. U.S. v. Barnett, 32 LW 4304 (1964).

84. Parden v. Terminal Railway, 32 LW 4393 (1964).
85. General Motors v. Washington, 32 LW 4482 (1964).
86. Malloy v. Hogan, 32 LW 4507 (1964).
87. Escohedo v. Illinois, 32 LW 4605 (1964).
88. Jackson v. Denno, 32 LW 4620 (1964).

Cases involving other questions are:

1. Indian Towing Co. v. U.S., 350 U.S. 61 (1955)—statutory construction, hereafter abbreviated to S/C.
2. Ryan Co. v. Pan-Atlantic Corp., 350 U.S., 124 (1956)—S/C.
3. Rea v. U.S. 350 U.S. 214 (1945)—Federal Rules of Criminal Procedure.
4. East Texas Lines v. Frozen Food Exp., 351 U.S. 49 (1956)—S/C.
5. Cahill v. New York, N.H.&H.R. Co., 351 U.S. 183 (1956)—procedure.
6. Offutt Housing Co. v. Sarpy County, 351 U.S. 253 (1956)—S/C.
7. Darley v. Mayo, 351 U.S. 2/7 (1956)—this case involved a constitutional matter but the court dismissed it for lack of jurisdiction.
8. Black v. Cutter Laboratories, 351 U.S. 292 (1956)—this case involved also a constitutional matter, but the court dismissed it for want of a federal question.
9. Jay v. Boyd, 351 U.S. 345 (1956)—S/C.
10. Reed v. Pennsylvania R. Co., 351 U.S. 502 (1956)—S/C.
11. Farr v. U.S., 351 U.S., 513 (1956)—procedural matter.
12. Massachusetts Bonding Co. v. U.S., 352 U.S. 126 (1956)—S/C.
13. Labuy v. Howes Leather Co., 352 U.S. 249 (1957)—S/C and federal criminal rules.
14. Nilva v. U.S., 352 U.S. 385 (1957)—federal criminal rules.
15. Baltimore & Ohio R. Co., v. Jackson, 353 U.S. 325 (1957)—S/C.
16. Arnold v. Panhandle & S.F.R. Co., 353 U.S. 360 (1957)—S/C.
17. Jackson v. Taylor, 353 U.S. 569 (1957)—S/C.
18. Fowler v. Wilkinson, 353 U.S., 583 (1957)—S/C.
19. Smith v. Sperling, 354 U.S. 91 (1957)—procedural matter.
20. Swanson v. Traer, 354 U.S. 114 (1957)—procedural matter.
21. Nashville Milk Co. v. Carnation Co., 355 U.S. 373 (1958)—S/C.
22. Safeway Stores v. Vance, 355 U.S. 389 (1958)—S/C.
23. F.T.C. v. Standard Oil Co., 355 U.S. 396 (1958)—S/C.
24. Kernan v. American Dredging Co., 355 U.S. 426 (1958)—S/C.
25. U.S. v. Ball Construction Co., 355 U.S. 587 (1958)—S/C.
26. County of Marin v. U.S., 356 U.S. 412 (1958)—S/C.
27. Masclale v. U.S. 356 U.S., 386 (1958)—criminal procedure.
28. Leng May M. v. Barber, 357 U.S. 185 (1958)—S/C.
29. Rogers v. Quan, 357 U.S. 193 (1958)—S/C.
30. U.S. v. A&P Trucking Co., 358 U.S. 121 (1958)—S/C.
31. Romero v. International Term Co., 358 U.S. 354 (1959)—S/C.
32. S.E.C. v. Variable Annuity Co., 359 U.S. 65 (1959)—S/C.
33. U.S. v. Shirley, 359 U.S. 255 (1959)—S/C.
34. Arroyo v. U.S., 359 U.S. 419 (1959)—S/C.
35. T.I.N.E., Inc. v. U.S., 359 U.S. 464 (1959)—S/C.
36. Pittsburgh Plate Glass Co. v. U.S., 360 U.S. 395 (1959)—criminal procedure.
37. Galax Mirror Co. v. U.S., 360 U.S. 395 (1959)—criminal procedure.
38. Farmers Union v. Day, 360 U.S. 525 (1959)—S/C.
39. Inman v. Baltimore & Ohio R. Co., 361 U.S. 138 (1959)—S/C.
40. Flora v. U.S., 362 U.S. 145 (1960)—S/C.
41. Telegraphers v. Chicago & N.W.R. Co., 362 U.S. 330 (1960)—S/C.
42. Miller Music Corp. v. Daniels, Inc., 362 U.S. 373 (1960)—S/C.
43. Nuikkanen v. McAlexander, 362 U.S. 390 (1960)—S/C.
44. U.S. v. Republic Steel Corp., 362 U.S. 482 (1960)—S/C.
45. Schaffer v. U.S., 362 U.S. 511 (1960)—criminal procedure.
46. Karp v. U.S., 362 U.S. 511 (1960)—criminal procedure (companion case to *Schaffer*.)
47. F.T.C. v. Brech & Co., 363 U.S. 166 (1960)—S/C.
48. U.S. v. Brosnan, 363 U.S. 237 (1960)—tax law.
49. Bank of America v. U.S., 363 U.S. 237 (1960)—tax law (companion case to *Brosnan*.)
50. Schilling v. Rogers, 363 U.S. 666 (1960)—S/C.
51. Cory Corp. v. Souber, 363 U.S. 709 (1960)—S/C.
52. Sunray Oil Co. v. F.P.C. 364 U.S. 137 (1960)—S/C.
53. Sun Oil Co. v. F.P.C., 364 U.S. 170 (1960)—S/C.
54. Nichalic v. Cleveland Tankers, Inc., 364 U.S. 325 (1960)—S/C.
55. Polites v. U.S. 364 U.S. 426 (1960)—S/C.
56. Callanan v. U.S., 364 U.S. 587 (1961)—S/C.
57. Green v. U.S., 365 U.S. 301 (1961)—Federal Criminal Rules.
58. Milenovich v. U.S., 365 U.S. 551 (1961)—Federal criminal procedure.
59. Horton v. Liberty Mutual Ins. Co., 367 U.S. 348 (1961)—S/C.
60. Lott v. U.S., 367 U.S. 421 (1961)—S/C.
61. American Automobile Assoc. v. U.S., 367 U.S. 687 (1961).
62. Mechling Barge Lines v. U.S., 368 U.S. 324 (1961)—S/C.
63. Hill v. U.S., 368 U.S. 424 (1962)—Federal criminal rules.
64. Foller v. C.B.S., 368 U.S. 464 (1962)—S/C.
65. Schlude v. Commissioner, 372 U.S. 128 (1963)—S/C.
66. Wisconsin v. F.P.C., 373 U.S. 294 (1963)—S/C.
67. California v. F.P.C., 373 U.S. 294 (1963)—S/C (companion case to *Wisconsin*.)
68. Long Island Co. v. F.P.C., 373 U.S. 294 (1963)—S/C (companion case to *Wisconsin*.)
69. National Equipment Rental v. Szukhent, 32 L.W. 4070 (1964)—federal rules of civil procedure.
70. Red Ball Motor Freight v. Shannon, 32 L.W. 4443 (1964)—S/C.
71. U.S. v. Shannon, 32 L.W. 4443 (1964)—S/C (companion case to *Red Ball*).
72. Aro Mfg. Co. v. Convertible Top Co., 32 L.W. 4459 (1964)—S/C.
73. U.S. v. Pen-Olin Co., 32 L.W. 4707 (1964)—S/C.
74. Berman v. U.S., 32 L.W. 4721 (1964)—criminal procedure.

HUGH C. KEENAN,
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THE LIBRARY OF CONGRESS,
Washington, D.C., August 1, 1968.

From: American Law Division.

Subject: Five to Four Dissents in Supreme Court Decisions, October Term, 1964 to October Term 1967, Inclusive.

This will refer to your request of July 25, 1968, for a list of the five-to-four decisions of the United States Supreme Court from the October Term 1964 through the October Term 1967 (June, 1968), to supplement our listing of these decisions dated November 2, 1964, which covered the decisions from the October Term, 1954 to October Term 1963. Attached hereto is the new supplementary list, covering both constitutional and statutory cases.

HUGH C. KEENAN, JR.,
Legislative Attorney,
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FIVE-TO-FOUR DECISIONS OF U.S. SUPREME COURT FROM OCTOBER TERM, 1964 THROUGH OCTOBER TERM, 1967, SUPPLEMENTING SIMILAR LIST OF NOVEMBER 2, 1964, COVERING PERIOD FROM OCTOBER TERM, 1954, THROUGH OCTOBER TERM, 1963

I. CONSTITUTIONAL DECISIONS

1. Cox v. Louisiana, 379 U.S. 559 (1965).
2. United States v. Brown, 381 U.S. 437 (1965).
3. Estes v. Texas, 381 U.S. 532 (1965).
4. Rogers v. Paul, 382 U.S. 198 (1965) (the four dissenters thought simply that the case should be set down for argument and plenary consideration).
5. Rosenblatt v. Baer, 383 U.S. 75 (1966).
6. Brown v. Louisiana, 383 U.S. 131 (1966).
7. Ginzburg v. United States, 383 U.S. 463 (1966).
8. United States v. Guest, 383 U.S. 745 (1966) (four dissenters in part only).
9. Elfbrandt v. Russell, 384 U.S. 11 (1966).
10. National Association for the Advancement of Colored People v. Overstreet, 384 U.S. 118 (1966).
11. Riggan v. Virginia, 384 U.S. 152 (1966).
12. Texas v. United States, 384 U.S. 155 (1966).
13. Miranda v. United States, 584 U.S. 436 (1966) (the four dissents here also apply to the companion cases of Vignera v. New York, Westover v. United States, same citation).
14. Schmerber v. California, 384 U.S. 757 (1966).
15. Adderley v. Florida, 385 U.S. 39 (1966).
16. Fortson v. Morris, 385 U.S 231 (1966).
17. Hoffa v. United States, 385 U.S. 293 (1966) (two of the dissenters merely stated they would dismiss the writs of certiorari as improvidently granted).
18. Time, Inc. v. Hill, 385 U.S. 374 (1967).
19. Garrity v. New Jersey, 385 U.S. 493 (1967).
20. Spevack v. Klein, 385 U.S. 511 (1967).
21. Spencer v. Texas, 385 U.S. 554 (1967), together with Bell v. Texas, same citations (5–4 dissents in both cases).
22. Keyishian v. Board of Regents, 385 U.S. 589 (1967).
23. Zuckerman v. Greason, 386 U.S. 15 (1967).
24. Kaye v. Co-Ordinating Committee on Discipline of the New York Bar, 386 U.S. 17 (1967).
25. Cooper v. California, 386 U.S. 58 (1967).
26. Giles v. Maryland, 386 U.S 66 (1967).
27. McCray v. Illinois, 386 U.S. 300 (1967).
28 Afroyim v. Rusk, 387 U.S. 253 (1967).
29. Reitman v. Mulkey, 387 U.S. 369 (1967).
30. Curtis Publishing Co. v. Butts, 388 U.S. 130 (1967).
31. United States v. Wade, 388 U.S. 218 (1967).
32. Gilbert v. California, 388 U.S. 263 (1967).
33. Walker v. City of Birmingham, 388 U.S. 307 (1967).
34. Jacobs v. New York, 388 U.S. 431 (1967).
35. Powell v. Texas, 36 Law Week 4619 (1968).
36. Miller v. California, 36 Law Week 4699 (1968).

II. DECISIONS ON OTHER BASES: (S/C MEANS STATUTORY CONSTRUCTION)

1. Hamm v. Rock Hill, 379 U.S. 306 (1964) (Statutory Construction (SC)) (Civil Rights Act of 1964).
2. All States Freight, Inc., et al. v. New York, New Haven & Hartford Railroad Co., et al., 379 U.S. (1964) (S/C: Longshoremen's and Harbor Workers Compensation).

5. Cameron v. Johnson, 381 U.S. 741 (1965) (S/C: 42 U.S.C. 1983; 28 U.S.C. 2283, Federal civil procedure).

6. Harris v. United States, 382 U.S. 162 (1965) (Federal rules of criminal procedure).

7. Linn v. Plant Guard Workers, 383 U.S. 53 (1966) (S/C: National Labor Relations Act).

8. Kent v. United States, 383 U.S. 541 (1966) (Juvenile Court Act, District of Columbia).

9. Federal Trade Commission v. Dean Foods Co., 384 U.S. 597 (1966) (S/C: Clayton Act, Federal Trade Commission Act).

10. Nichols v. United States, 384 U.S. 678 (1966) (S/C: Bankruptcy Act) (the four dissents are to a part only of the majority opinion).

11. Greenwood v. Peacock, 384 U.S. 808 (1966) (together with No. 649, Oct. Term, 1965, Peacock v. Greenwood, same citation) (S/C: 28 U.S.C. 1443 (1, 2), Federal removal statute).

12. Baltimore & Ohio Railroad Co. v. United States, 386 U.S. 372 (1967) (S/C: Interstate Commerce Act).

13. Woodwork Manufacturers v. National Labor Relations Board, 386 U.S. 612 (1967) (S/C: National Labor Relations Act).

14. Houston Contractors Association v. National Labor Relations Board, 386 U.S. 664 (1967) (S/C: National Relations Act).

15. Waldron v. Moore-McCormack Lines, 386 U.S. 724 (1967) (Admiralty-Longshoremen's and Harbor Workers Compensation Act).

16. Gardner v. Toilet Goods Association, 387 U.S. 167 (1967) (S/C: Federal Food, Drug, and Cosmetic Act).

17. Abbott Laboratories v. Gardner, 387 U.S. 136 (1967) (S/C: Federal Food, Drug, and Cosmetic Act).

18. National Labor Relations Board v. Allis-Chalmers Manufacturing Co., 388 U.S. 175 (1967) (S/C: National Labor Relations Act).

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THE LIBRARY OF CONGRESS,
Washington, D.C., December 11, 1968.

From: American Law Division.

Subject: Significant 5–4 Supreme Court "Liberal" Decisions on Constitutional Cases, 1953–1968.

This will refer to your request of November 20, 1968 and our Conversation in that regard on the impact of a two-thirds vote rule which would be imposed on the Supreme Court by a proposed constitutional amendment which would set that requirement of voting by the justices on all cases involving an interpretation or application of the United States Constitution. In accordance with that conversation, we have selected what may be considered significant decisions from 1953 to the present (decisions announced on Nov. 19, 1968) arranged by informal topic descriptions and giving a brief statement on the significance of each ruling; for purposes of highlighting a holding, a brief indication of some dissents is given also.

This listing of five-to-four decisions is, of course, limited, not only to constitutional cases, but also to those decisions the holdings of which may be loosely described as "liberal"; those which may be loosely described as "conservative" rulings are not included. There are many of these and they too would be affected by the "two-thirds" rule.

A. SELF-INCRIMINATION

1. *Public Employees.* In *Slochower* v. *Board of Education*, 350 U.S. 551 (1956) a teacher at a New York City public college was dismissed from his job when he refused to testify before a Senate investigating committee concerning his past Communist connections. The City Charter provided that whenever a city employee invoked the self-incrimination privilege to avoid answering before a legislative committee a question concerning his official conduct, his employment shall terminate. The majority of five held this denied due process because no notice and hearing was provided, while the minority of four justices held that a government has the right to protect itself against undesirable employees not meeting its standards of conduct.

2. *State Trials.* In *Malloy* v. *Hogan*, 378 U.S. 1 (1964) the court held that the Fifth Amendment's privilege against self-incrimination applies to state as well as to federal trials, and that an accused should not have to explain how a question might incriminate him before he may claim the privilege. The dissent pointed out that precedent had established that the privilege of self-incrimination does not apply to the States and to force it on them now is to diminish state sovereignty.

3. *Public Employees.* In *Garrity* v. *New Jersey*, 385 U.S. 493 (1967) a New Jersey statute provided that state employees who invoked the self-incrimination privilege in official investigations into their conduct in office forfeited that office. Certain police were here under such investigation; warned of this law, they testified. Later their statements were used in criminal prosecutions against them. The Court held that such statements could not be used, because that would infringe upon their constitutional privilege to remain silent and not incriminate themselves. The dissent urged that the State had a right to fire employees in such circumstances and this consequence of itself was not a true denial of the constitutional privilege.

4. Self-Incrimination Clause is Now Held Applicable to Disbarment Proceedings, and a 1961 Supreme Court Decision to the Contrary is Now Overruled. In *Spevack* v. *Klein*, 385 U.S. 511 (1967) the Court overruled a holding only six years old that the Fifth Amendment's Self-Incrimination Clause did not apply to State disbarment proceedings. The four dissenters were distressed that the bar can not protect the profession against those suspected of misconduct through simple investigation: this case, it was asserted, immunizes unscrupulous lawyers from the consequences of their misdeeds and dishonors the entire bar, and it was contended that the Constitution does not require this.

B. RIGHT TO COUNSEL

1. *Waiver of Right to Counsel.* In 1957 the Court held in *Moore* v. *Michigan*, 355 U.S. 155, again five-to-four, that a waiver of the right to counsel in 1938 by a 17 year old, very ignorant Negro boy in a murder trial was invalid because he said later that he was intimidated and did not understand the charges, thus a denial of due process. The dissenting four pointed out that the Court reached this conclusion only on the boy's say-so against much contrary evidence, after the passage of many years.

2. Counsel Must be Present at Line-ups in Criminal Cases. In *United States* v. *Wade*, 388 U.S. 218 (1967) the accused was identified by a witness at a post-indictment line-up at police headquarters; his lawyer was not with him. This was held to deny him his Sixth Amendment right to counsel. The dissent stated that the Court here simply showed its suspicion of all police practices and that nothing here indicated improper police procedures.

C. DOUBLE JEOPARDY

1. In *Green* v. *United States*, 355 U.S. 184 (1957) the jury verdict against a defendant accused of homicide was silent as to first degree murder but convicted him of second degree murder. The appellate court reversed, he was retried, and convicted of first degree murder. The Supreme Court, five to four, held this violated the Double Jeopardy Clause, since the jury was dismissed and sentence passed after the first verdict came in. The dissent pointed out that this flew in the face of established legal precedent in the Supreme Court and that precedent should be followed, so that tradition can be maintained in the law.

D. CITIZENSHIP

1. Military deserter from armed forces in wartime does not lose citizenship. In *Trop* v. *Dulles*, 356 U.S. 86 (1958) the court held unconstitutional an act of Congress stripping citizenship from deserters from the military forces in time of war; Congress has no general powers to divest citizenship and if it did, this would constitute "cruel and unusual punishment" under the 8th Amendment.

2. One who flees abroad during war to avoid military service may not be stripped of his citizenship. In *Kennedy* v. *Mendoza-Martinez*, 372 U.S. 144 (1963) the court held unconstitutional an act of Congress divesting one of citizenship who fled abroad during war to avoid the draft, as a denial of due process. Companion case, Rusk v. Cort, 372 U.S. 144 (1963).

3. One who Knowingly Votes in Foreign Election can not be Deprived of His Citizenship. In *Afrovim* v. *Rusk*, 387 U.S. 253 (1967) the Court held unconstitutional an act of Congress stripping citizenship from one who votes willfully in a foreign election, overruling a ten-year old decision holding this to be constitutional. The dissent pointed out this is a wholly arbitrary ruling, expressing the majority's own political feeling and is law-making.

E. PASSPORTS MAY NOT BE DENIED TO COMMUNISTS

In *Kent* v. *Dulles*, 357 U.S. 116 (1958) the Court held, five to four, that the Secretary of State cannot deny passports to persons because of their Communist beliefs and associations because this would deny their liberty to travel under the Fifth Amendment. This is so even if the person accused of Communist connections is also shown to have had connections with Communist spy rings. *Dayton* v. *Dulles*, 357 U.S. 144 (1958).

F. SEARCHES AND SEIZURES

1. Evidence seized by state police in violation of the Fourth Amendment against unreasonable search and seizure may not be used in a Federal trial, even though Federal officers took no part in the illegal search. *Elkins* v. *U.S.*, 364 U.S. 206 (1960). Companion case, *Rios* v. *U.S.* 364 U.S. 253 (1960).

2. A reasonably accurate description of a place where narcotics had been sold, plus the hurried flight of a person at that place when narcotics agents identified themselves held not sufficient for probable cause for arrest under the Fourth Amendment. *Wong Sun* v. *United States*, 371 U.S. 471 (1963). The four dissenters pointed out that this goes against the grounds of probable cause that reasonable, prudent men, trained in police work, would employ, greatly hampering police work.

G. PUBLIC OFFICERS AND EMPLOYEES

1. State teachers may not be compelled to disclose associations with unpopular groups, such as the NAACP. In *Shelton* v. *Tucker*, 364 U.S. 479 (1960) a state law required teachers in the public schools to file affidavits showing organizations to which they had belonged in the past five years as a condition to continued employment. The teachers here refused to sign such affidavits and were fired. The Court held this violated due process by adbridging their freedom of association and speech. Companion case, *Carr* v. *Young*, 364 U.S. 479 (1960).

2. State Employees May Not be Forbidden to Join Communist Party and Other Subversive Groups.

In *Elfbrandt* v. *Russell*, 384 U.S. 11 (1966) Arizona required State employees to take an oath that they are not knowingly members of the Communist Party or other subversive groups dedicated to overthrow of the Government, where the employee knows of such unlawful purpose. The Court struck down this oath as violating the First Amendment's freedom of political association. The dissent pointed out that even in this Court precedent held that a State has the right to condition public employment upon such oaths, and cannot be compelled to hire those who willfully join subversive organizations, knowing of their purposes.

H. CONDUCT OF CRIMINAL TRIALS

1. Indigents must be afforded trial transcripts free for appeal. In *Draper* v. *Washington*, 372 U.S. 487 (1963) it was held that it denies due process for a trial transcript to be denied to the poor, where moneyed persons can always get a copy for appeal. The dissenters pointed out that the Washington Supreme Court had passed on the appeal, and found it frivolous.

2. Televising Criminal Trials Inherently Invalid. In *Estes* v. *Texas*, 381 U.S. 532 (1965) it was held that televising a criminal trial was in itself invalid as a denial of the right to a fair trial under the Due Process Clause. The dissent could not see this as a *per se* violation of the Constitution, undignified though it may be, without particular circumstances making it a violation.

I. LEGISLATIVE INVESTIGATIONS OF SUSPECTED COMMUNIST-INFILTRATED GROUPS CURBED

In *Gibson* v. *Florida Legislative Investigation Committee*, 372 U.S. 539 (1963), the Court held unconstitutional an effort by the Florida legislative committee to compel disclosure of the membership lists of the Miami NAACP in order to determine whether that group was Communist-infiltrated, as violative of the First Amendment's freedom of association. A proper ground must first be laid to show a connection between the Miami NAACP and Communist activities, before an intrusion upon First Amendment rights will be permitted. The dissent could find no legal precedent for distinguishing between Communist infiltration *of* groups and similar activity *by* Communist groups.

J. CONFESSIONS

1. The Supreme Court will not accept a jury's determination of the voluntariness of a confession, but will consider the matter anew. In *Haynes* v. *Washington*, 373 U.S. 503 (1963), a jury had found defendant's confession voluntary, but the Supreme Court said it would not accept this finding, but would consider all the circumstances of the confession to decide anew if it was in truth voluntary. Mere prolonged questioning by police, said the dissent, is not enough to show the defendant's will is overborne.

2. Criminal suspects must be furnished counsel and warned of right to silence, during police questioning. In *Escobedo* v. *Illinois*, 378 U.S. 478 (1964) a criminal suspect, during police questioning, was refused the right to consult his lawyer and was not warned of his right to remain silent. For these reasons only his confession, made during questioning, was held inadmissible since he was denied his constitutional rights (Sixth Amendment) to counsel. The dissent argued that the test for a confession should be its voluntariness only; otherwise police work is too much hampered.

3. Juries may not try the voluntariness of confessions in criminal cases. In *Jackson* v. *Denno*, 378 U.S. 368 (1964), it was held that it violates due process for the jury (or judge, if he is the trier of fact) to also judge the voluntariness of a confession, for that prejudices the accused: the jury is bound to be influenced by the confession, even if it rejects it. Some other body should determine this issue. The dissent pointed out that long-standing precedent in the Court permitted the States to leave to the jury the question of the voluntariness of confessions and that this is one more encroachment on the federal system.

4. Police questioning of a suspect held incommunicado is inherently a denial of due process and will always be invalid unless a suspect, before questioning, is warned of his right to remain silent, have a lawyer with him, and to have one furnished if he is poor. *Miranda* v. *Arizona*, 384 U.S. 436 (1966).

K. CIVIL RIGHTS

1. Civil Rights Protesters may demonstrate near public buildings in the face of an ordinance forbidding it. In *Cox* v. *Louisiana*, 379 U.S. 559 (1965) the Court overturned the conviction of civil rights protesters demonstrating near a courthouse, where a city ordinance forbade such activities, because city officials had advised them it was alright to do so, thus constituting, it was held, entrapment.

2. Peaceful "Sit-In" in Public Building by Civil Rights Protesters is not Punishable as a Breach of the Peace. In *Brown* v. *Louisiana*, 383 U.S. 131 (1966) a group of Negroes were convicted of breach of the peace for sitting-in quietly in a Louisiana public library which was segregated. Their conviction was held invalid as violative of their First Amendment right to peaceably assemble and protest. The dissent urged the view that the State has a legitimate interest in maintaining order in its public buildings in order to carry on its proper governmental functions.

3. State Constitution may not Forbid the Passage of Open-Housing Laws, even if such Provision of the Constitution is approved by Voters at the Polls. In *Reitman* v. *Mulkey*, 387 U.S. 369 (1967) a popular referendum, approved by the voters, forbade the future enactment of open-housing laws. The Court held this improperly involved the State in race discrimination and was invalid under the Fourteenth Amendment. The dissent argued that the Constitution does not require the States to pass open-housing laws and does not forbid repeal of such laws; and that a permanent ban on such laws in the future by constitutional provision is not prohibited by the 14th Amendment.

L. COMMUNIST PARTY

1. Communist Party members cannot be punished for holding labor union jobs. In *United States* v. *Brown*, 381 U.S. 437 (1965) the Court held unconstitutional a section of the Labor-Management Reporting and Disclosure Act of 1959 which made it a crime for Communist Party members to willfully hold executive jobs in labor unions because this is a bill of attainder, punishing named or described persons as such, not for their general activities. The dissenters pointed out that the court here was ignoring the reality that it is Communist Party members who are likely to cause labor strife and Congress should be permitted to keep them out of labor unions.

2. A state cannot Require its Teachers to State that they are not Members of the Communist Party, advocates of forcible overthrow of the Government, and are Not Guilty of treasonous and seditious acts. In *Kevishian* v. *Board of Regents*, 385 U.S. 589 (1967), the Court struck down New York's law that would make public school teachers swear to the above before entering on their employment. All this is to vague, says the Court, and violates academic freedom. Up to now, points out the dissent, such State laws have been permitted by this Court and States have relied on this; but now it is all thrown out and State efforts to keep Communists and traitors off the public school system are at an end, due to this case.

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FEDERAL FINANCIAL DISCLOSURE ACT OF 1969

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. RUPPE) is recognized for 10 minutes.

(Mr. RUPPE asked and was given permission to revise and extend his remarks.)

Mr. RUPPE. Mr. Speaker, today I am reintroducing the Federal Financial Disclosure Act of 1969, so that a bipartisan group of 21 cosponsors may join with me. The new cosponsors are: Messrs. BUTTON, HAMILTON, SCHWENGEL, WALDIE, WEICKER, CORBETT, PODELL, BIESTER, BUSH, SCHERLE, LLOYD, REES, MIKVA, ANDERSON of Illinois, MCCARTHY, VANDER JAGT, HECHLER of West Virginia, CUNNINGHAM, EDWARDS of California, MOSHER, and DELLENBACK.

I am particularly pleased to note that four of these Members serve on the Judiciary Committee which would be responsible for holding hearings on this type of legislation. This is indicative of the type of support gathering for this act in Congress.

This legislation calls for full public financial disclosure by Members of the House of Representatives, Senators, key congressional employees, justices and judges of the U.S. courts, the President, the Vice President, Cabinet members, and policymaking officials of the executive branch as determined by the Chairman of the Civil Service Commission, and candidates for Federal office, I originally introduced this legislation on May 15, and addressed this Chamber at that time. A full text of the bill is included in the CONGRESSIONAL RECORD following my remarks of that date. The version of the Federal Financial Disclosure Act being introduced today amends my original bill to include officers and key employees of the House of Representatives and the U.S. Senate.

It is time to come up with a straightforward reporting law. The public will no longer be satisfied with half measures—and with good reason. Both the House of Representatives and the other body, during the last Congress, adopted financial reporting procedures. As a result, Representatives and key employees of the House are required to list publicly sources of major income, substantial business interests, and income from single sources. However, a list without accompanying financial statements is not truly meaningful. There are such extensive loopholes in the present system that, as I remarked when I originally introduced this legislation, the present financial reporting procedure is little better than a sham and a facade. I note that in the other body Senator GEORGE AIKEN was the lone vote against the current Senate procedure. At the time of Senate consideration, Senator AIKEN stated that he would not, and I quote, "be a party to the perpetuating of a fraud upon the American people." The Senate public financial reports, of course, are even more meaningless than the House reports. The executive branch and the judicial branch are not even required to file detailed financial statements. The time for straight-forward honest legislation is here.

I know that there are many honest, trustworthy, and dedicated colleagues in this Chamber who oppose this kind of legislation because it is certain that some irresponsible individuals in the press and in politics will distort our financial statements, make false assumptions based on half truths and attempt to lead the public to untrue conclusions about our motives and actions in the conduct of public business. Unfortunately, these are the risks that must be taken. The Dodd, Powell, Baker, Long, and Fortas affairs have cast a cloud of suspicion over all of us and our institutions of government. We must now recognize that restoring confidence in those who hold the public trust is crucial.

Therefore, we must be prepared to surrender a measure of our privacy to attain that goal. There is no longer any alternative to full public disclosure by high officials in all three branches of the Government. I urge that the House of Representatives consider and pass this legislation during this session of Congress.

GENERAL LEAVE TO EXTEND REMARKS

Mr. RUPPE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the subject of my special order.

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

There was no objection.

FRAUD IN AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 10 minutes.

Mr. GONZALEZ. Mr. Speaker, last year the CBS television network broadcast a 1-hour program entitled "Hunger in America." That film portrayed conditions that were shocking. But the film went far beyond the realm of reality, and in fact was in large part a fraud. CBS has never acknowledged its false statements and misleading pictures, despite overwhelming evidence in two separate investigations—one by a journalist and another by Government investigators—that the film insofar as it treated San Antonio was fraudulent and wildly inaccurate.

Now it turns out that CBS not only committed a fraud, but that it violated the law in its attempts to put together a shocking show. In San Antonio virtually every person who appeared on the show received payment for his services—$5 was typical. The amounts of money involved are small indeed, and many of the payments are labeled as for "release." But the principle involved is large, and the law in such cases is clear.

In ordinary news practice television reporters do seek releases from persons filmed. But seldom are releases paid for. And never is a person paid to wait at home for 3 days while the film crew gets around to the person for an interview, or is promised payments or services. Yet CBS did make such payments, contrary to section 317(a) of the Communications Act of 1934, the basic law of brodcasting, which says:

> All matter broadcast by any radio station for which any money, service or other valuable consideration is directly or indirectly paid . . . shall be announced as paid.

Mr. Speaker, a token payment is one thing, but the question is whether CBS was making payments out of charity or in recognition of a service. If it was charity, all I can say is that this corporation could have been more generous than it was without touching its coffers, or nicking them. If it was payment for services, CBS was reporting the lines of performers, and misrepresenting the performances as spontaneous news.

I am charging CBS with the violation of section 317 of the Communications Act and demanding that FCC take action.

Mr. Speaker, tomorrow I will show in great detail the fraud that CBS perpetrated.

Television is a powerful, perhaps the most powerful media in existence. Its power for telling the truth is great, but so is its power for deception. I believe that this country has a right to expect that its media do not broadcast deception and fraud. I believe that there is little evidence to show that the networks understand or accept their great responsibility. I have asked that Congress consider licensing the networks, or devising some method of bringing accountability to the networks. I again call upon the chairman of the great Committee on Interstate and Foreign Commerce, to look into this matter, and consider what action the Congress might take.

Mr. Speaker, I insert in the RECORD the following news articles in respect to this fraud:

[From the San Antonio (Tex.) Express and News, May 24, 1969]

CONTRIVED DRAMA LESSENS FORCE IN APPEAL FOR HELP TO HUNGRY

"Hunger in America," the Columbia Broadcasting System's award-winning documentary of a year ago, created a public outcry against the intolerable conditions depicted.

The scenes in San Antonio were dramatic and heart-rending. They tore at the conscience.

But in less than a week after the show was aired it developed that the producers of the film had exercised a good deal more than dramatic license. They had, in fact, falsified portions of the local scenes and staged others.

These findings, which were first revealed in this newspaper a year ago, have now been confirmed by a congressional investigation. It is a shameful story and one that can only bring discredit to the CBS news organization.

The network has known for a long time that it had been gulled by its own camera crews and writers. Yet it chose not to admit the error. Worse still, it continued to defend the show and permitted it to be shown throughout the world.

It should also be pointed out that the San Antonio segments could not have been filmed had it not been for the cooperation CBS received from various welfare agencies.

The camera crews, for instance, were given complete freedom to work in the premature ward at the Robert B. Green Hospital in spite of the danger to tiny infants struggling for life. Employes at the Green helped the crew take pictures of premature babies knowing that the documentary was going to misrepresent them as suffering from malnutrition.

One city employe, investigators found, shut the door to a food surplus center so that a crowd of people on welfare would build up and imply long lines and inefficiency.

The oddest thing about "Hunger in America" is that the network did not have to go to such lengths.

The poverty situation here is bad, perhaps as extreme as in any large city in the nation. There is low income and there are hungry children. Fathers do sire large families and abandon them. There are illiterate people and people who do not speak the language. There is undernourishment and malnutrition.

The wonder is that CBS felt the need to interject show biz when the truth would have served as well.

By doing so its integrity has been held up to question. Its news department has shown that it places entertainment values ahead of truth.

[From the San Antonio (Tex.) Express and News, May 24, 1969]

PANEL SAYS HUNGER FILM "STAGED"

An investigation by the U.S. House Agriculture Appropriations Committee has confirmed an Express-News story that a scene of a dying baby filmed at the Green Hospital was false.

The committee in a report made public Friday said this and other assertions made by CBS in "Hunger in America" were false and "shocking to all of us."

"It appears that many of the incidents described or photographed were staged as though for a Hollywood production," the congressional committee report said.

Concerning the San Antonio segment of the sensational film, the committee said a CBS crew paid one housewife at the rate of $5 per day to stay home and wait for her family to be filmed and that a child identified as an 11-year-old prostitute was actually taken from a foster home and returned to the Bexar County Juvenile Court hearing room so the crew could use her in the film.

Committee investigators also have discovered that a boy identified as a hungry junior high school student was rejected for the food stamp program last summer because the father was buying two homes and had an equity of $1,680 in the second home, which was more than allowed for these programs.

Investigators also learned that a CBS crew induced City Welfare Dir. John Bierchwale to close the doors of the then-operating surplus commodity distribution center for one hour and 45 minutes so a line of about 20 people would form to be used in the film. This segment of the film, however, was not used.

A San Antonio physician told committee investigators that the CBS crew attempted to induce him to go with them to examine hungry people. The doctor said he declined because the crew was only interested in sensational material and wanted him to say things with a more sensational impact than he was willing to say.

The doctor said he was accused of being evasive when he would not bend the truth.

"Probably the most touching part of the film and one which CBS later said 'moved the nation to tears' was the scene of a baby being given resuscitation in the hospital after which it appeared motionless," the report said.

Express-News writer Kemper Diehl in a story on July 14 reported that the infant did not die of malnutrition as CBS claimed but of problems associated with being born prematurely.

U.S. Rep. Henry B. Gonzalez engaged with CBS in a dispute over the film and inserted Diehl's story into the Congressional Record.

Jack E. Coughlin, director of Community Relations, Bexar County Hospital District, reported to the committee that hospital rec-

ords show that Dr. Luis Rey Montemayor pronounced the baby dead at 3 p.m. on Oct. 29, 1967, five days after birth, "from septicemia, meningitis, and peritonitis with underlying cause being prematurity," the congressional report said.

The report said Dr. Montemayor was on duty and rushed to the isolette to attend the baby after being told there was an emergency. The doctor said he noticed the film crew started filming his efforts to revive the infant.

He said the baby finally responded, although it appeared not to respond for some time, but died two days later, when it suffered one of a series of cardiac and respiratory arrests.

Dr. Montemayor remarked that CBS was wrong in depicting the baby as dying of starvation since there was no evidence of malnutrition. He pointed out the baby was premature.

The doctor said a CBS representative attempted to get him to say that a contributing factor to a premature birth was malnutrition, but he said he told CBS there was no evidence of this in the case of the baby used in the film.

Mrs. Ester Medrano, who now lives in the Mirasol Homes but lived at 808 S. Leona St., was interviewed in the film and the family depicted as not having anything to eat. In response to a question, she said in the film she told her children there was no food in the house and:

"They just have to lay down like that until the next day and see if we can find something to eat."

She later told congressional investigators that actually her family was on the USAD commodity distribution program but that the children did not like the powdered milk and beans distributed. Following their appearance on the program, the family was given $135 a month from the state. This payment was reduced to $123 a month under the state cutbacks.

Blasting the CBS film, the congressional report said this was one illustration which served to "demonstrate the effort made to inflame the American people."

Explaining that "our country's press and other news media are free," the congressional report said, "They have been throughout our history and always should be but somehow we must make them responsible."

The report said the public has a right to expect responsible reporting from the news media and concluded:

"The nation's best interests are simply not well served when appeals to emotions are substituted for reason . . ."

[From the San Antonio (Tex.) Light, May 24, 1969]

FBI SAYS TV USED TO INFLAME NATION

WASHINGTON.—A House subcommittee investigation, compiled with the use of FBI agents, charged the Columbia Broadcasting System Friday with attempting to inflame the public about the nation's hunger problems.

The report said the network used "sensational-type material" in a television documentary, "Hunger in America," including a scene of a dying infant who was not really suffering from malnutrition.

Rep. Jamie L. Whitten, D-Miss., said he made the investigation results public "to indicate the complete lack of objectivity in these TV programs on alleged hunger conditions." Whitten, chairman of a House appropriations subcommittee, ordered the investigation.

A committee spokesman said FBI agents were used to gather the information for the report which was critical of the CBS program and of another report on hunger, a widely publicized book called "Hunger in America."

Kenneth Sprankle, the committee's staff director, said the FBI agents who were used during the hunger investigation were considered House employes during that time.

Whitten said under a system established "many years ago" FBI agents are loaned to the Appropriations Committee for its investigations.

Richard S. Salant, president of CBS News, said in a statement later Friday that the network "stands behind its 'Hunger in America' broadcast.

"We have found nothing to contradict its basic findings and conclusions," Salant said. He continued:

"Various allegations of false or misleading information in 'Hunger in America' made in the subcommittee's report, had been made previously. We investigated those allegations and found nothing to confirm them. We reaffirm the results of that previous investigation.

"We will, of course, investigate the accuracy of the new charges, which on their face seem to be minor."

In a summary of its complaints against the CBS documentary, Whitten's report alleged:

A baby depicted as dying of starvation, actually was born prematurely, weighed only two pounds, 12 ounces and died five days later of causes unrelated to nutrition.

A San Antonio mother of eight children, who regularly earned $5 a day as a domestic, was paid $15 by CBS to remain home for three days until the network camera crew arrived.

Bexar County Commissioner A. J. Ploch was quoted out of context when he said "You'll always have hunger . . . and . . . you've got to have Indians and chiefs."

The results of the subcommittee's investigation were inserted into the record of a budget hearing held before the subcommittee March 17. Whitten made them public Friday at the same time the Appropriations Committee approved a bill approving money to feed the poor.

The committee's report, accompanying the bill, said the CBS television program and the book, "Hunger, USA", were "shocking evidence of attempts to inflame the American people instead of providing the facts."

But the committee admitted that hungry Americans do exist and said the Agriculture Department "must locate such people and see that they are properly fed."

The committee appropriated the maximum amount previously authorized by Congress for food stamps—$340 million, up $60 million from the current level. It approved $312 million for school lunch subsidies, an increase of $59 million. It also provided $445 million for direct food distribution and "special feeding" programs, up $42 million from the current year.

These amounts were part of a $6.6 billion package to finance the Agriculture Department for the fiscal year beginning July 1. The total was about $50 million less than proposed by President Nixon.

Meanwhile, Sen. Marlow Cook, R-Ky., urged the Senate Agriculture Committee to include a national income standard in the food stamp program. Cook said "hundreds of thousands of hungry people" are ineligible for stamps because they live in states with an unusally high living cost.

"A man in Kentucky who earns over $200 is not eligible for food stamps, but just across the river in Indiana he could earn $275," Cook said. "In West Virginia he could earn $250 and in Ohio $260" and still buy the stamps, he said.

"It's a matter of rank discrimination," he said. "A man in Kentucky who is in need of food assistance is turned away just because he earned $200, but if he lived in Indiana he would be eligible. You look at that man and say, 'I'm sorry, you just don't happen to live in the right state'."

Congress "took the easy way out" by letting each state determine the income level for eligibility in the food stamp program, Cook charged.

However, Sen. Jack Miller, R-Iowa, said stamps should be issued only for purchase of "nutritious foods." He also suggested that poor families whose children receive free meals at school, get that much less in food stamp help.

"We're talking about what could amount to $200 million," Miller said. "The administration would be expensive but it might be worth it."

[From the San Antonio (Tex.) Light, May 24, 1969]

GONZALEZ

U.S. Rep. Gonzalez Friday night said there is a possibility legal action will be filed against CBS to recover damages the film "Hunger in America" caused to HemisFair.

Gonzalez said the feasibility of such a suit presently is being explored by several community leaders.

"The CBS so-called documentary did irreparable harm, especially last year when it coincided with HemisFair," the congressman said.

"It was almost a calculated and deliberate attempt to sabotage HemisFair," he said.

The film generally painted an unflattering picture of San Antonio.

One episode, described by congressional investigators as "the most touching part," depicts a baby in a San Antonio hospital "dying of starvation."

The investigators, in uncovering a number of inaccuracies in the film, reported that, in fact, the infant had died from complications coincidental with prematurity.

Gonzalez said the Congressional report confirms opinions he expressed several months ago. "It represents a very troublesome aspect of the television prime time networks," he said. "The networks have awesome power. They must be made accountable and responsible."

The congressman noted that he and several other representatives have introduced bills that would make TV networks accountable to regulatory commissions just like local radio and television stations are now.

"The networks control more than 93 per cent of the prime viewing time in our nation," Gonzalez said. "Their spokesmen actually talk as if they are above the law and have more power than the government itself."

THE FAILURE OF THE DEPARTMENT OF AGRICULTURE TO ADMINISTER THE FOOD STAMP PROGRAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. FARBSTEIN) is recognized for 30 minutes.

Mr. FARBSTEIN. Mr. Speaker, I have today sent a letter to the Secretary of Agriculture, the Honorable Clifford M. Hardin, complaining of the failure of the Department of Agriculture to adequately administer the food stamp program. The letter calls attention to the pending return to the U.S. Treasury, by the Department of Agriculture, of approximately $30 million in unspent money appropriated for the food stamp program in fiscal 1969. It questions why the Department, which anticipated "this surplus" at the beginning of the calendar year, failed to increase the scope of the program with over 150 counties interested in securing food stamp programs and 62 submitting formal applications. I see many good uses to which the Department could have put this "surplus money," first on the list being extension of the program to the 440 counties which have no food program. The Department, however,

discouraged counties from filing formal applications citing "insufficient funds."

It appears to me that funding by the Department "very shortly" of the 62 counties for which formal applications have been made may be the result of investigations by my staff of the administration of the food stamp program. The Department appears to require outside pressure in the form of congressional attention before it will act to expand the hunger program.

I bring these facts to the attention of my colleagues in the hope that this shocking situation can soon be corrected. If it is not, we are talking about the lives of 16 million Americans.

All my information about the administration of the food stamp program comes from official sources in the Department of Agriculture.

I include a copy of my letter to Secretary Hardin, as well as the list of 62 counties which currently have applications for food stamp programs under "active consideration" by the Department of Agriculture following my remarks in the RECORD:

MAY 27, 1969.

Hon. CLIFFORD M. HARDIN,
Secretary of Agriculture,
Department of Agriculture,
Washington, D.C.

DEAR MR. SECRETARY: I am writing to inquire how it happens that your Department has begun actively considering the applications of the 62 counties which have applied for funding under the Food Stamp Program since investigation by my staff.

This investigation uncovered existence of applications of these 62 counties and your intention of returning to the United States Treasury on June 30th, $30 million in unspent money appropriated for the Food Stamp Program. I was informed by your Department that it was aware of this anticipated "surplus" in food stamp appropriations "at the beginning of the calendar year".

Although your Department indicated that these 62 applications would probably be funded "very soon", your Department estimates that the cost of funding for an entire year would be only $6 million (one-half million per month). Thus, almost the entire $30 million will still be returned unspent to the United States Treasury at the end of this fiscal year. At the same time, I am informed by your Department that you are discouraging other counties from applying due to a "lack of money". I cannot understand this contradiction.

The number of counties currently eligible for funding under the Food Stamp Program is 100 less than the goal of the previous administration. The number of participants similarly is one-half million less. It has been estimated that with the level of appropriations for 1969, these two goals could be achieved. It is, therefore, not surprising that you are returning $30 million to the Treasury.

Certainly with 16 million hungry and malnourished in this country, and 440 counties which today have no hunger program, there are useful purposes to which this "surplus" money could be put. The money could be used to fund not only the 62 counties which have formally applied, but approximately 90 others which your Department indicates would apply if it were not your policy to discourage further applications for the program. The money could also be used to fund the approximately 240 other counties which have been designated as "eligible" for participation in the program but have never received any Federal money for an ongoing program (the latter figure includes 199 out of 235 counties approved on November 18, 1968, and 41 out of 135 approved in the previous designation).

It could also have been used to fund the $1 million demonstration application submitted by the City of New York which your Department indicates it has authority to fund. It could have been used to increase the average participation rate which is only 30% because little is being done in many areas to see that those potentially eligible know of the existence of Food Stamp Programs in participating counties.

It could have been used to make access to food stamps easier to the participants. Many of the distribution centers appear to be deliberately located in inaccessible places.

It could have been used to lower the cost of food stamps. But it was not used for any of these purposes.

I am shocked by the lack of any sense of urgency on the part of the Department of Agriculture and by the complete absence of any actions indicating a commitment to the President's goal of establishing, as quickly as is humanly possible, a food program in every county. If that commitment existed, it would not have required a field trip by a Senator to secure the establishment of two experimental free food programs in South Carolina. It would not require hearings on hunger in the Nation's Capital to secure a supplemental food program and a $3 to $4.5 million non-school summer child nutrition program for Washington, D.C. It would not have required a Senatorial field trip to Collier County, Florida, to get you to "actively consider" a free commodities program for that county which the Office of Economic Opportunity would administer out of its own funds.

If that commitment existed, the Department, at the first sign that there would be unused money available, would have acted to increase the scope of its current programming to utilize the unused money. It would have (and still can) request the full authorized level of appropriations for food stamps for fiscal 1969. This would allow you to get a head start on the President's stated objective of expanding the program this fiscal year and during the early part of the new fiscal year, while the program is operating on continuing resolutions and before the new appropriations bill is passed three or four months after the beginning of the new fiscal year.

I think it is ridiculous that on June 30th, with 16 million hungry and malnourished in our country, your Department will be returning $30 million in food stamp money to the United States Treasury unspent.

With kind regards, I am,

Sincerely yours,

LEONARD FARBSTEIN,
Member of Congress.

Counties with formal applications for food stamp programs pending before the Department of Agriculture as of May 26, 1969, are listed as follows:

ARKANSAS

Searcy County, Third Congressional District, John P. Hammerschmidt (R).

CALIFORNIA

Fresno County, Sixteenth Congressional District, B. F. Sisk (D).

Santa Cruz County, Twelfth Congressional District, Burt L. Talcott (R).

Yuba County, Fourth Congressional District, Robert L. Leggett (D).

San Luis Obispo County, Twelfth Congressional District, Burt L. Talcott (R).

GEORGIA

Clayton County, Sixth Congressional District, John J. Flynt, Jr., (D).

Effingham County, First Congressional District, G. Elliott Hagan (D).

Early County, Second Congressional District, Maston O'Neal (D).

Taylor County, Third Congressional District, Jack Brinkley (D).

Glascock County, Tenth Congressional District, Robert G. Stephens, Jr. (D).

Miller County, Second Congressional District, Maston O'Neal (D).

Fannin County, Ninth Congressional District, Phil M. Landrum (D).

LOUISIANA

East Feliciana County, Fifth Congressional District, Otto E. Passman (D).

St. Mary County, Third Congressional District, Patrick T. Caffery (D).

MASSACHUSETTS

Worcester (city) County, Fourth Congressional District, Harold D. Donohue (D).

Taunton County, Tenth Congressional District, Margaret M. Heckler (R).

MICHIGAN

Alpena County, Eleventh Congressional District, Philip E. Ruppe (R).

Kent County, Fifth Congressional District, Gerald R. Ford (R).

Lenawee County, Second Congressional District, Marvin L. Esch (R).

Emmet County, Eleventh Congressional District, Philip E. Ruppe (R).

MINNESOTA

Traverse County, Seventh Congressional District, Odin Langen (R).

McLeon County, Second Congressional District, Ancher Nelsen (R).

MONTANA

Wibaux County, Second Congressional District (Vacant).

Broadwater County, First Congressional District, Arnold Olsen (D).

Dawson County, Second Congressional District (Vacant).

Gallatin County, First Congressional District, Arnold Olsen (D).

Daniels County, Second Congressional District (Vacant).

Beaverhead County, First Congressional District, Arnold Olsen (D).

Pondera County, First Congressional District, Arnold Olsen (D).

NEBRASKA

Nuckalls County, Third Congressional District, David T. Martin (R).

NEW MEXICO

Catron County, Second Congressional District, Ed Foreman (R).

Dona Ana County, Second Congressional District, Ed Foreman (R).

Grant County, Second Congressional District, Ed Foreman (R).

Hidalgo County, Second Congressional District, Ed Foreman (R).

Luna County, Second Congressional District, Ed Foreman (R).

Socorro County, Second Congressional District, Ed Foreman (R).

NEW YORK

Oswego County, 31st Congressional District, Robert C. McEwen (R).

NORTH CAROLINA

Columbus County, Seventh Congressional District, Alton Lennon (D).

Johnson County, Third Congressional District, David N. Henderson (D).

Wayne County, Third Congressional District, David N. Henderson (D).

Vance County, Second Congressional District, L. H. Fountain (D).

OHIO

Defiance County, Fifth Congressional District, Delbert L. Latta (R).

Henry County, Fifth Congressional District, Delbert L. Latta (R).

Paulding County, Fifth Congressional District, Delbert L. Latta (R).

PENNSYLVANIA

Fulton County, 12th Congressional District, J. Irving Whalley (R).

SOUTH DAKOTA

Clay County, First Congressional District, Ben Reifel (R).

Deuel County, First Congressional District, Ben Reifel (R).

Fall River County, Second Congressional District, E. Y. Berry (R).

Grant County, First Congressional District, Ben Reifel (R).

Hamlin County, First Congressional District, Ben Reifel (R).

Hand County, Second Congressional District, E. Y. Berry (R).

Jerauld County, Second Congressional District, E. Y. Berry (R).

Marshall County, First Congressional District, Ben Reifel (R).

Meade County, Second Congressional District, E. Y. Berry (R).

Potter County, Second Congressional District, E. Y. Berry (R).

Sanborn County, Second Congressional District, E. Y. Berry (R).

Jones County, Second Congressional District, E. Y. Berry (R).

TENNESSEE

Williamson County, Sixth Congressional District, William R. Anderson (D).

VIRGINIA

Surry County, Fourth Congressional District, Watkins M. Abbitt (D).

Henry County, Fifth Congressional District, W. C. Daniel (D).

Newport News (city), First Congressional District, Thomas N. Downing.

TOKENISM REVISITED—RURAL HOUSING PROGRAM DISCRIMINATED AGAINST BY FEDERAL GOVERNMENT

(Mr. PATMAN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PATMAN. Mr. Speaker, on May 15 the CONGRESSIONAL RECORD published my report made on federally assisted housing programs for the rural poor of the Nation. That report showed that only 87,000 units have been provided for poor families in rural America by the Farmers Home Administration and the low-rent housing programs of the Housing and Urban Development Department throughout the history of these programs. The label of "tokenism" must be applied to this effort when it is compared with the problem of adequate housing in rural America which has 4.8 million substandard dwellings, over half the Nation's total of 8.2 million.

Shortly after the publication of this report, the House Banking and Currency Subcommittee on Housing held the first annual hearings on housing goals required by the Housing Act of 1968.

A series of questions, based on the Farmers Home and HUD housing report, were submitted to Farmers Home at that time.

Mr. Speaker, the replies to those questions serve to point out once more that the Farmers Home Administration is so inadequately funded and staffed that it will never make a dent in the overwhelming housing needs of impoverished families in rural America. Farmers Home has said that it is the only agency providing housing of any significance in rural areas of 5,500 population or less—most of rural America—but it must be added that its performance is disgracefully inadequate when compared with the need. This conclusion is repeatedly underscored in the replies to the questions which follow:

Question. As estimated, HUD's low rent housing projects, more than any other program of that agency, serve the rural poor, providing about 66,433 units.

Farmers Home programs benefiting the rural poor are:

Units under its insured loan program this is to say all loans issued to families with incomes up to $5,000	15,066
Units under its rental housing program—by Farmers Home estimate half the number of units provided by its rental housing loans	2,127
Family units provided under labor housing loans and grants	3,903
Total	21,096

The combined programs, therefore, have provided about 87,533 units for rural poor families. This is about 2 percent of the 4.8 million occupied substandard dwellings and .6 of 1 percent of the 14 million poverty stricken in rural America.

At this rate of progress, how long do you think it will take to live up to the Housing Act of 1949 as amended and provide decent housing and suitable living environment for our rural poor?

Answer. The length of time required to provide decent housing and suitable living environment for our rural poor depends primarily on two considerations, namely:

1. The rate at which the housing programs adapted to rural areas are accelerated, and

2. The enactment of legislation to make adequate housing available to those low-income families who do not have the financial capability to repay a loan.

Question. How many vacancies exist on the Farmers Home staff? (It is reported that Farmers Home has to lose two people before it can hire one new staff member because of budgetary restrictions.)

How long, on the average, does it now take to process a loan?

How many new staff members will be provided by the $24 million increase proposed for fiscal 1970 for loan administration purposes? Is this enough?

Are most of the loan administration staff members trained in housing or is their field of expertise really agriculture?

Answer. Under the Federal Expenditures Control Act of last year, we have been able to fill only one out of two separations since September 1, 1968. Prior to that time, July 1 to September 1, we could not fill any vacancies other than where firm commitments had been made prior to June 30. As of April 30, 1969, we had 596 authorized permanent positions vacant.

The length of time required to process a rural housing loan varies widely depending on factors such as backlog of applications ahead of the particular family involved, the availability of loan funds, whether the family wants to buy, build or improve a home, the extent to which the family has assembled documents, such as plans and specifications, and the condition of title. If no waiting list existed, funds were available and the family was ready to proceed, a loan could be completely processed in about 60 days.

The $24 million increase proposed for fiscal 1970 would permit our hiring about 2,380 additional employees. If these funds become available early in the fiscal year, they will permit us to carry out the projected program levels.

Our staff members at the county level are agriculture college graduates. Many of them have some background in engineering and structures. At the State level we have engineers and some architects who help train county staff in the technical aspects of housing.

Question. Two million dollars has been allocated to Farmers Home for insured low interest loans under HUD's section 235 program created by the Housing Act of 1968. Farmers Home itself has indicated this fund could provide $30 million to $40 million worth of loans for about 10 thousand housing units.

How much of this money has been utilized?

Answer. As of May 17, 1969, 144 commitments had been made on section 235 insured mortgages. These loans committed $108,864 of the $2 million allocated to the Farmers Home Administration.

The unavailability of interested lenders and income limits in most areas have retarded the use of the section 235 program.

Question. The Housing Act of 1968 established a national goal of 26 million new housing units in ten years.

How many of these units should be built in rural America in view of the fact that it has more than half the substandard dwellings in the nation?

How many units each do you expect the private and public sectors to provide?

How much of an investment will be required by both?

Answer. About 7 million adequate units will be needed in rural areas. Most of these will be new starts.

About half are estimated to need public assistance. Some will require more assistance than is currently authorized.

The total investment for both private and publicly assisted rural housing is estimated to be about $70 billion.

Question. The purpose of the Farmers Home insured loan program was to provide more money for rural housing while maintaining its direct loan program at the level which existed at the time the insured loan program went into effect. Instead, the direct loan program has suffered deep cuts and the current high interest rate situation has crippled the insured loan program because of the difficulty encountered in selling mortgage paper. Under these circumstances, would it not be better to return to the stability of the direct loan program to escape the vagaries of the monetary system? If not, what should be done to break the log jam and move Farmers Home paper?

Answer. Although direct loans offer some advantages, the problem has been in obtaining sufficient funds through the appropriation process to fund a high volume housing program.

If Farmers Home Administration insured loans could be sold as mortgage backed certificates or as certificates of participation, their marketability would be greatly improved.

Question. In recent years offers of outside financial help, including one from an agency of the State of New Jersey, have been made to Farmers Home in an effort to speed the administration of loans in the field. Farmers Home personnel have refused such help despite their own admission that their offices are severely understaffed. Do you agree with their decision? Why shouldn't such offers be accepted? Should legislation be offered to make such help possible in the future?

Answer. We are developing an agreement with the State of Maryland to have one or more of its employees assist our county

supervisors. In our judgment, providing an adequate permanent staff for the Farmers Home Administration would be preferable to making extensive use of personnel of other agencies.

Question. If the present high interest rate situation preventing the sale of most of Farmers Home mortgage paper remains unchanged, the agency expects to end this fiscal year with $172 million in unsold housing paper on hand, nearly 2½ times more than the total at the end of the last fiscal year, and it faces the prospect of entering the new fiscal year with its insured home loan program running at half speed against a record high backlog of more than 70 thousand applications for insured home loans, nearly half again as many as there were at the close of fiscal 1968.

What immediate steps should be taken to break this log jam?

What help is the Treasury Department and the Federal Reserve Board giving you?

Answer. Two specific actions have been taken to improve the liquidity of the RHIF. One is the sale of $100 million of assets of the fund to FNMA. The other is an increase in the rate of return offered to investors. These actions were taken with the consent of the Treasury.

Question. It has been reported that the size of Farmers Home field staffs in many of its county offices has not changed, or has changed very little, in the past five or ten years despite the fantastic housing needs of rural America. Is this true? If not, how much of an expansion has taken place and has it been across the board?

Would you say that the states where the largest numbers of Farmers Home housing loans and grants have been made are the states which have the largest field staffs or are there instances where states which have smaller staffs have actually administered proportionately larger numbers of loans and grants?

Answer. There has been only a modest increase in the field staff of the Farmers Home Administration in recent years despite the sharp increase in volume of loans to be made and serviced. The proposed 1970 budget would permit an increase in man years of 65 percent above the 1965 level while the volume of loans would increase 188 percent.

We have tried to deploy our available staff in a manner consistent with the workload.

Question. HUD is about to launch a $20 million experimental program to develop manufacturing techniques for low cost housing. Do you view the requirements of rural and urban America as being identical in terms of manufactured housing, or should there be special experimental projects for rural housing alone? Should Farmers Home have its own experimental housing program? If not, should a part of the HUD project be devoted strictly to low cost rural housing needs?

Answer. Rural areas provide more opportunity for manufactured homes because building codes and zoning requirements are more flexible. Land also is more readily available at a reasonable cost in rural areas.

Some of these funds, in our opinion, should be used in rural areas. A joint venture between HUD and the USDA might be the best practical approach.

DIRECT AND INSURED RURAL HOUSING LOANS MADE, CUMULATIVE FROM BEGINNING OF PROGRAM THROUGH JUNE 30, 1968

State	Cumulative through June 30, 1968			
	Number			
	Initial	Subsequent	Total	Total amount
	(1)	(2)	(3)	(4)
U.S. total	234,448	10,394	244,842	$2,015,816,801
Alabama	10,913	395	11,308	91,143,957
Alaska	513	43	556	8,034,098
Arizona	976	8	984	9,463,662
Arkansas	12,359	650	13,009	84,744,072
California	2,611	94	2,705	26,480,906
Colorado	1,894	123	2,017	16,835,812
Connecticut	434	22	456	5,629,117
Delaware	203	7	210	2,353,748
Florida	5,535	211	5,746	49,262,447
Georgia	10,997	448	11,445	98,512,091
Hawaii	1,049	37	1,086	13,043,313
Idaho	2,577	116	2,693	27,730,615
Illinois	4,579	138	4,717	42,202,674
Indiana	3,820	93	3,913	35,659,764
Iowa	4,777	136	4,913	44,065,044
Kansas	3,316	138	3,454	27,648,749
Kentucky	7,343	412	7,755	65,696,814
Louisiana	5,720	150	5,870	47,273,915
Maine	5,264	716	5,980	38,159,517
Maryland	1,436	47	1,483	16,443,146
Massachusetts	265	17	282	2,513,089
Michigan	3,600	202	3,802	35,085,363
Minnesota	4,789	251	5,040	39,620,803
Mississippi	19,116	776	19,892	147,462,878
Missouri	12,121	690	12,811	88,699,681
Montana	1,527	74	1,601	$14,638,623
Nebraska	2,543	65	2,608	19,550,989
Nevada	142	5	147	1,541,690
New Hampshire	683	38	721	6,672,667
New Jersey	3,152	137	3,289	34,883,327
New Mexico	1,982	92	2,074	12,849,374
New York	4,660	152	4,812	48,718,750
North Carolina	13,685	404	14,089	126,677,786
North Dakota	3,521	143	3,664	34,819,582
Ohio	2,676	141	2,817	25,621,629
Oklahoma	7,023	271	7,294	57,928,973
Oregon	1,659	131	1,790	16,015,735
Pennsylvania	3,140	208	3,348	30,875,903
Rhode Island	121	2	123	1,347,801
South Carolina	7,364	253	7,617	65,228,899
South Dakota	2,736	262	2,998	22,059,493
Tennessee	11,694	405	12,099	93,645,911
Texas	15,261	391	15,652	113,860,228
Utah	2,265	125	2,390	23,927,841
Vermont	1,261	84	1,345	12,929,349
Virginia	4,798	164	4,962	48,517,318
Washington	2,125	192	2,317	23,040,836
West Virginia	3,792	128	3,920	33,135,027
Wisconsin	5,169	470	5,639	47,262,870
Wyoming	1,097	68	1,165	11,037,996
Puerto Rico	3,932	68	4,000	22,069,152
Virgin Islands	233	1	234	3,096,777

RURAL RENTAL HOUSING LOANS APPROVED AS OF DEC. 31, 1968—CUMULATIVE

State	Number of initial loans	Loan amount	Number of units
Alabama	35	$1,105,680	147
Alaska	1	65,000	4
Arizona	2	64,000	8
Arkansas	20	1,103,610	153
California	5	486,990	65
Colorado	1	78,410	8
Connecticut	6	269,200	28
Florida	3	190,650	33
Georgia	23	672,630	115
Idaho	11	466,180	55
Illinois	16	941,530	104
Indiana	9	344,000	46
Iowa	52	2,311,180	262
Kansas	12	970,680	120
Kentucky	6	182,500	25
Louisiana	7	144,220	30
Maine	16	644,400	79
Massachusetts	2	19,040	8
Michigan	8	400,900	53
Minnesota	32	2,655,390	274
Mississippi	27	1,572,210	226
Missouri	55	4,222,960	611
Montana	2	117,070	14
Nebraska	10	365,860	45
New Hampshire	1	12,500	2
New Jersey	3	$459,000	75
New Mexico	2	78,750	9
New York	3	134,230	18
North Carolina	36	1,107,810	148
North Dakota	50	3,102,420	334
Ohio	8	306,500	39
Oklahoma	13	317,240	40
Oregon	6	350,750	63
Pennsylvania	8	439,850	57
Rhode Island	1	48,000	4
South Carolina	10	414,990	63
South Dakota	17	810,270	89
Tennessee	31	1,174,720	165
Texas	26	1,574,040	200
Utah	5	88,900	15
Vermont	9	451,700	53
Virginia	13	740,890	97
Washington	3	371,520	48
West Virginia	5	182,200	24
Wisconsin	24	1,280,700	140
Wyoming	5	279,050	40
Puerto Rico	1	100,000	16
Total	641	33,220,320	4,254

LABOR HOUSING LOANS AND GRANTS APPROVED—CUMULATIVE AS OF DEC. 31, 1968

State	Loans		Grants		Number of family units	Dormitory, number of persons
	Number	Amount	Number	Amount		
Alabama	7	$35,150		0	6	30
Arkansas	5	20,590		0	5	
California	5	3,294,380	5	$3,896,500	943	
Colorado	2	264,400	1	244,960	66	32
Florida	16	6,865,220	3	3,815,750	1,950	1,643
Georgia	1	5,000		0	1	
Idaho	6	595,570		0	252	99
Illinois	2	155,300	1	150,000	45	
Indiana	2	42,000		0	19	
Kansas	1	77,500		0	20	
Louisiana	3	72,590		0	8	
Maine	4	40,500		0	5	
Michigan	1	10,300		0	4	
Minnesota	2	20,590		0	2	
Mississippi	10	297,750		0	41	
Missouri	2	16,530		0	2	
New Jersey	8	$35,300		0	4	89
New York	2	83,000		0		839
North Carolina	7	44,550		0	5	98
North Dakota	4	32,000		0	4	
Ohio	2	38,890		0	26	36
Oklahoma	1	2,500		0	1	
Oregon	1	156,850	1	$260,300	85	90
South Carolina	1	7,420		0		30
South Dakota	1	10,500		0	1	
Texas	7	1,147,200	2	925,260	325	5
Virginia	4	28,670		0	3	16
Washington	3	275,960		0	75	140
West Virginia	1	14,500		0		28
Wisconsin	5	37,850		0	5	
Total	116	13,728,560	13	9,292,770	3,903	3,175

SELF-HELP HOUSING—LOANS APPROVED THROUGH APR. 30, 1969

State	Number of loans	Amount
Alabama	85	$526,280
Arizona	67	478,410
Arkansas	22	128,570
California	684	5,464,140
Florida	180	1,366,780
Georgia	6	40,500
Idaho	20	206,650
Indiana	1	9,900
Kentucky	43	200,510
Louisiana	67	446,940
Maine	21	174,570
Maryland	1	16,000
Michigan	12	86,170
Mississippi	35	163,640
New Jersey	30	197,050
New Mexico	39	228,860
New York	16	158,350
North Carolina	29	138,180
Oklahoma	21	160,860
Oregon	20	170,550
Pennsylvania	21	167,500
South Carolina	19	95,780
Texas	17	43,650
Vermont	16	164,710
Virginia	1	9,200
Washington	30	248,920
Wyoming	5	50,000
Puerto Rico	24	94,220
Total	1,532	11,236,890

LOCATION OF RURAL HOUSING LOANS MADE DURING 1968 FISCAL YEAR

Location	Sec. 502 loans		Sec. 504 loans	
	Number	Percent	Number	Percent
On farms	3,585	7.6	713	16.0
In open country	22,159	46.6	1,928	43.3
In places:				
Under 1,000	7,916	16.7	917	20.6
1,000 to 2,499	7,327	15.4	486	10.9
2,500 to 5,500	6,527	13.7	411	9.2
Total number	47,514		4,455	

FAMILY INCOME OF BORROWERS WITH LOW-TO-MODERATE AND ABOVE-MODERATE INCOMES RECEIVING INSURED SEC. 502 RURAL HOUSING LOANS DURING THE 1968 FISCAL YEAR

Item	Low to moderate income	Above moderate income
Number of borrowers	42,616	3,791
Average family income	$5,793	$9,699

PERCENT DISTRIBUTION OF TOTAL NUMBER OF BORROWERS BY FAMILY INCOME

Under $3,000	5.3	
$3,000 to $3,999	8.2	
$4,000 to $4,999	14.4	3.8
$5,000 to $5,999	22.7	
$6,000 to $6,999	26.6	
$7,000 to $7,999	16.3	14.7
$8,000 to $8,999	4.2	23.4
$9,000 to $9,999	1.2	21.9
$10,000 and over	1.1	36.2

CHARACTERISTICS OF HOMES FINANCED WITH RURAL HOUSING LOANS, 1968 FISCAL YEAR—AVERAGE SIZE AND CASH COST OF HOUSES

Item	Low and moderate income	Above moderate income
Number	21,765	2,293
Square feet total area	1,375	1,705
Square feet living area	1,114	1,312
Cash cost	$11,068	$14,505

NOTE.—97 percent were 1-story; 75 percent did not have a basement; 85 percent had 3 bedrooms; 10 percent had 2 bedrooms; 5 percent had 4 bedrooms. The new homes were largely frame construction with wood or wood product siding. Brick veneer was used for some homes in those areas where brick is customary and the cost is reasonable. Some block construction was used for some low-cost housing in areas where this is acceptable

AVERAGE SIZE OF NEW HOMES FINANCED WITH INSURED SEC. 502 RURAL HOUSING LOANS DURING THE 1968 FISCAL YEAR

Item	Low to moderate income	Above moderate income
Total number of new homes	21,765	2,293
Average square feet living space	1,114	1,312

PERCENT DISTRIBUTION OF NEW HOMES BY SQUARE FEET OF LIVING SPACE

Under 1,000	27.2	5.1
1,000 to 1,199	39.3	23.7
1,200 to 1,399	29.4	39.8
1,400 to 1,599	3.6	23.5
1,600 and over	.5	7.9

RURAL HOUSING LOANS PAID IN FULL BY REFINANCING

As of January 1, 1968, 11,865 rural housing borrowers had paid their loans in full by refinancing. This represented one-third of those whose loan accounts had been fully satisfied.

Housing for elderly financed by the Farmers Home Administration cumulative as of December 31, 1968

Type of Units:	*Number of units*
Single family homeownership units	8,505
Multifamily rental units	2,325

(NOTE.—Multifamily rental units for elderly, as a rule, are built in small rural towns with from 500 up to 5,500 population. Occupants of this type of housing must be rural residents. Generally, they are persons from the immediate community who need a decent place to live or a home that is more convenient than the one in which they have been living.)

GOVERNORS OF STATES FAVOR PATMAN BILL ON BETTER MARKET FOR MUNICIPAL BONDS

(Mr. PATMAN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PATMAN. Mr. Speaker, for sometime, I have been pointing out the need for tax reform to reduce the loopholes involved in tax exemption of State and municipal bonds. Obviously, I have no intention in making this proposal to make it more difficult for States and local communities to finance their tremendous facilities expansion requirements in the years ahead. Indeed, the very opposite must be done. And my bill, H.R. 2115, will do just that.

The present tax exemption situation aids most those who least need the income—commercial banks, fire and casualty insurance, and higher income tax bracket individuals. By allowing States and municipalities, if they so choose, the right to offer taxable debt issues, on which the Federal Government will bear one-third of the interest cost, my bill will serve directly to channel back to the States and localities some of the tax savings which are now being reaped by the higher income recipients, and, at the same time, the revenues of the Federal Government will be increased.

Chairman WILBUR MILLS, House Ways and Means Committee, is now diligently working on this, as well as other tax problems and, due in major part to his efforts, there now appears to be a consensus forming in favor of reform.

Mr. Speaker, I, therefore, wish at this point to place in the RECORD a letter I recently sent to Chairman MILLS relative to my bill, and congratulating him on his outstanding efforts on this important task of tax reform.

MAY 19, 1969.

Hon. WILBUR D. MILLS,
Chairman, Ways and Means Committee,
House of Representatives,
Washington, D.C.

DEAR WILBUR: I was very interested and pleased to read about the statement made to the Ways and Means Committee by Governor Tiemann on the question of Federal aid to states and municipalities in the financing of their public facilities.

The proposal to provide a Federal subsidy equal to as much as one-half the interest rate on bonds which states and municipalities choose to issue as Federally taxable securities represents the

same basic line of thinking as that behind the bill I have introduced (H.R. 2115). The bill would provide a subsidy in the amount of one-third of the interest costs on state and municipal bonds and would provide that the Federal Government would collect income taxes on such bonds, as I strongly believe they should. At the same time, it would give states and localities an option either to continue to issue tax exempt bonds, as at present, or to accept the subsidy with the consequence that the interest would be taxable to the holders of the bonds. My staff made calculations that indicate that there would be a net savings to the Government inasmuch as the amount of the subsidy would not be as great as the increase in Federal tax collections.

Inasmuch as state leaders have arrived at a consensus on this matter, I hope the Congress will quickly provide the legislative framework for minimizing the vast loophole provided in the present exemption of Federal taxes on municipal securities. As I pointed out in the Congressional Record of March 24, 1969 (page H1996), this loophole was estimated at $3.6 billion by Secretary of the Treasury Fowler almost two years ago. Since then, new long-term state and local offerings have been at an annual rate of $15 billion, and so the loophole would today amount to over $4 billion.

States and local communities must, of course, receive all the assistance which can be mustered if they are to survive the deluge of demands for new public facilities which will be placed upon them in the years ahead. As part of its continuing responsibility to inquire into the growth potential of the U.S. economy, to which local communities make such a vital contribution, the Joint Economic Committee, of which I am now Chairman during the 91st Congress, has under continuing study the growing public capital facilities needs of the communities in the years ahead. In our two-volume study of public facilities needs and financing published in 1966, we pointed out that publicly owned facilities financing in the succeeding 10 years would amount to the vast sum of $300 billion and that this figure would be raised to $500 if account is taken of all publicly oriented facilities including those under private ownership. Most of the $300 billion expansion will have to be financed through issuance of municipal securities.

Subsequent to the preparation of this basic study, the Subcommittee on Economic Progress held hearings in 1967, and last year, gathering evidence from knowledgeable officials of the local communities, the states and the Federal government. Their testimony, as well as events that have since unfolded, have clearly underlined the findings of that study as to both the growing needs of our local communities and to the pressures of financing the huge sums involved.

These developments have meant that, even under favorable circumstances, the localities would face extremely severe difficulties in raising needed funds. On top of all this, financing problems have been accentuated by the extremely tight money and capital market conditions which exist today and which show little signs of abating for some time to come.

I cite these circumstances—past, present and in prospect—to emphasize my concern that every effort must be made to see that states and local communities receive every bit of aid which can be mustered in their financial plight.

As you know on the monetary front, I, a Chairman of the Banking and Currency Committee, am particularly concerned by the fact that the present "tight money" policies are bearing most heavily on state and local communities. Municipal bond (high grade) yields have reached almost 5½%, almost a full percentage point above the average for 1968 and more than 2 percentage points above those of 1965. Mainly as a result of these conditions, new offerings of state and local bonds were off sharply in the first part of this year, with the monthly average in the first quarter estimated at $900 million, as compared with $1.5 billion in the second half of 1968. In contrast, corporate bond offerings continued at near record levels in the first 3 months of the year. I can promise the American people that I will continue to do my best to right this situation.

To return to the matter of the exemption of state and local issues from Federal taxation, I am convinced that if we allow the communities the choice of continuing to issue tax exempts or to issue taxable securities with the aid of a Federal subsidy, not only will the Federal Government improve its revenue position, but the states and local communities will be able to finance their requirements at reduced cost. This will be made possible out of the increased taxes on the high income recipients now taking advantage of the tax loophole. Part of this increase in taxes will then go directly to the states and local bodies, which have not been receiving the full benefit which the tax-exemption is supposed to provide. Our studies indicated that the tax-exemption is much more beneficial to wealthy holders than it is to the states and municipalities.

May I congratulate you on your fine efforts in this most important matter of tax reform.

Sincerely,

WRIGHT PATMAN,
Chairman.

COLLEGE STUDENTS IN CONSTRUCTIVE DEMONSTRATION

(Mr. BLANTON asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BLANTON. Mr. Speaker, the front pages of most of our newspapers almost daily are dominated with news of misbehavior of young college students. We often read of vandalism, of demonstrations which turn to violence, of sit-ins, sleep-ins, and burn-outs.

It has always been my contention that the students who participate in these headline-making activities actually represent only a minute minority of the thousands of college students. In fact, most students appreciate their opportunity to learn useful skills and increase their knowledge in our institutions of higher learning, and they are interested in improving the quality of their education.

In the Seventh District of Tennessee, which I am privileged to represent, we have a small church-related private college at Henderson, Tenn., called Freed-Hardeman College.

Mr. Speaker, I wish to insert into the RECORD a newspaper article from the Commercial-Appeal, Memphis, Tenn., which appeared on May 19, 1969. Although it did not make front page, it does tell about students "demonstrating" at Freed-Hardeman College, but a different type of demonstration.

The students, instead of burning down their buildings, worked hard to raise some money to help build a new science building.

In this day and time when many students would perhaps allow alumni, the development office, or other people outside their college to raise the money for a new building, these Freed-Hardeman young adults took it upon themselves to contribute to the growth of the college.

I would say this is a good example of some future nation-builders who are interested in progress, and are not intent on tearing down everything. I believe my colleagues and readers of the RECORD will find this article interesting.

[From the Memphis (Tenn.) Commercial Appeal, May 19, 1969]

FREED-HARDEMAN STUDENTS PHASE OUT "DEMONSTRATION"

(By Bob Parkins)

HENDERSON, TENN., May 18.—Many weeks of student demonstrations will end Monday at Freed-Hardeman College here, and the college administration will probably hate to see them close.

Instead of looting and burning campus buildings, Freed-Hardeman students launched a drive to raise initial funds toward cost of erecting a badly needed new science building. They set a goal of $6,500 and met it.

The money will be presented Monday to H. A. Dixon, president of the college, by student body president John Brumley of Hamilton, Ala., and Eddie Miller of Portageville, Mo., student body president-elect, who originated the student loyalty fund.

Mr. Brumley said when the idea was conceived, many said it couldn't be done. "But the students decided they wanted a new science building so badly that the best way to prove it was to raise some nuclear funds for the project."

Estimated cost of the building is $500,000.

Mr. Brumley said the money was raised by students and campus clubs in special projects and by asking the help of parents and friends in their hometowns. Auctions were held and one group picked strawberries near Bells, Tenn., Saturday to complete raising the amount needed.

He attributed the success of the drive to student involvement and enthusiasm. "About 90 per cent of the student body participated, and from the very beginning they adopted the motto 'Fire in my bones,' which has generated more spirit than any effort we've ever undertaken here," he said.

Mr. Dixon, the college president, said he was overcome by the gesture, which started without any suggestion from the administration. "It was very comforting to see students demonstrating constructively instead of destructively and promoting goodwill instead of strife," he added.

Mr. Dixon said the new science building would be built during 1969–70 "hopefully with the help of more student demonstrations of this type in future years."

WHO IS SAM HOUSTON JOHNSON?

(Mr. SNYDER was granted permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SNYDER. Mr. Speaker, credit cards seem today to be more common than money. I notice that a Federal judge over in Ohio had some rather cogent comments on their issuance and use just last week.

Well, Mr. Speaker, I have been trying for almost a month now to get some credit card information. Somehow, no one wants to talk about the credit card I am interested in—and those few who will talk are stopped dead in their tracks by superiors if I want it in writing. It is all very mysterious—and all the while I am assured there is nothing wrong.

It seems as though on last May 2 at the Greater Cincinnati Airport, an airline ticket was issued to one Sam Houston Johnson for a flight aboard American flight 291—this ticket was issued on a credit card bearing the imprint "The

White House." I only know of one White House, it is at 16th and Pennsylvania Avenue here in Washington, and I have been assured that no one by that name either lives or is employed there, either now or on May 2. Maybe there is another White House—but then why is American Airlines so secretive? They will not talk at the Cincinnati Airport and their Mr. Pickell here in Washington is great at stalling me on my two calls to him.

Now good old Eastern Airlines verbally admits to EAL 202 382—when confronted with a number—and their very able and capable representative agreed to confirm in writing that taxpayers' funds were not being used to pay EAL 202 382 on which the imprint "The White House" appears—but very apologetically had to suggest later that I inquire of their "legal department." Superiors had stopped him.

Mr. Speaker, I want to know why all the mystery. I doubt that taxpayers are paying this man's bills—I do not think his bills would be honored at the White House—but what is wrong with somebody saying so in writing. The airport in question is in the 4th District of Kentucky and I have constituents who are not certain. I must be certain to properly inform them.

It is my hope that these remarks will get the airlines people to explain that the taxpayers are not picking up the tab, and second, how nonresidents of the White House acquire such a prestigious address on their credit cards.

DISTINGUISHED VISITORS FROM VENEZUELA

(Mr. FASCELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. FASCELL. Mr. Speaker, I take great pleasure in announcing that the House of Representatives was paid a visit today by a distinguished group of Venezuelans.

Sponsored by the North American Association of Venezuela, this visit was part of the ninth annual exchange, between our two countries, of political and public opinion leaders.

At a luncheon held here on Capitol Hill, members of the Subcommittee on Inter-American Affairs and of the full Committee on Foreign Affairs had an opportunity to engage in a frank and, I hope, mutually beneficial and informative exchange of views with our visitors.

All of us, I know, were deeply honored by the presence at the luncheon of the majority leader of the House, the Honorable CARL ALBERT, of Oklahoma.

Our guests included a member of the Venezuelan Senate, Luis B. Guerrero, columnist in Caracas daily El Universal; members of the Chamber of Deputies, Simon Antoni, Minister of Labor, 1967–68; Edilberto Escalante, former State Governor; Armando Sanchez; Arturo Hernandez, Deputy Minister of Mines, 1959–66; Miguel Vaimberg; Angel Zambrano, vice president FDP Party; Omar de Jesús Rumbos Morón, president, URD Parliamentary Block, National Congress, Caracas; several journalists, Americo Fernandez, correspondent of Caracas daily El Nacional in Ciudad Bolivar, Venezuela; Msgr. Juan F. Hernandez, editor Caracas daily La Religion, Catholic; Adalberto Toledo, news editor Maracaibo daily Panorama; and several other leaders, Felix Olivo, president, Carabobo State Legislature; Angel Yanez, secretary general of Falcon state committee of COPEI Party, businessman; Luis Feroleto, public relations director, Venezuelan Workers Confederation; Miguel Angel Granados, technical advisor, Venezuelan Cattle Raisers Association; Eloy Lares, rector, University of Caracas; Oswaldo Pulido, president of Chamber of Commerce, Ciudad Ojeda, Venezuela; Dr. Guillermo Vogeler, architect; and the North American Association coordinators, Vicente J. Cupello, Hugh Jencks, and Dr. Pedro Vallenilla.

Mr. Speaker, my good friend and colleague, the Honorable Abraham Kazen, Jr., of Texas, presided at the luncheon and speaking in Spanish, demonstrated most ably his full grasp of United States-Venezuelan and Latin American relations by making the following very pertinent remarks:

REMARKS OF HON. ABRAHAM KAZEN, JR.

Welcome to the United States Congress. My colleagues and I on the Foreign Affairs Committee are always pleased to have the opportunity to meet with groups such as this from Venezuela and hear first-hand about developments in your country and your impressions of this country.

I understand that in your case your presence here is the result of cooperation between private American citizens and companies in Venezuela and the Venezuelan Government; that these groups also sponsor a visit to Venezuela by American journalists; and that this is the ninth consecutive year that this exchange has taken place.

This kind of exchange between the political leaders, the writers, the teachers, the business and labor leaders of our two great nations contributes immensely to the cause of peace and friendship in our common hemisphere. That the exchange has been entirely the result of efforts by private Venezuelan and American citizens is all the more noteworthy and commendable.

We are particularly pleased and honored to have with us today a member of the Venezuelan Senate and seven members of the Chamber of Deputies. Your election last December was widely recognized and commented upon in the United States as a milestone in the history of your country, an indicator of the tremendous progress you have made in building and strengthening your democratic institutions in just ten years. Like the elections of 1958 and 1963, the elections of last year were orderly, peaceful and fair, with the participation of almost 95 percent of the eligible voters. But in addition, the people of Venezuela demonstrated in these elections their ability to transfer power peacefully and constitutionally from one party to another.

Much credit for that, of course, belongs to former President Raul Leoni and to your new President, Dr. Rafael Caldera; but full credit must go to all of Venezuela's political leaders, to all of its democratic parties, indeed to all of its people. I don't suppose that your transition period has been totally without problems; in fact, if you were to press me I might admit that there were some problems of adjustment involved in the transition which our own government has just gone through. So I know how you feel.

If politically Venezuela has set an example for all the hemisphere, the same can be said about its economy. It is well known that Venezuela has the highest per capita income in Latin America. What is perhaps less well known is how well you have managed your wealth. At a time when many countries are encountering increasing difficulty in dealing with a heavy burden of debt, your external public debt amounts to less than half your gold and dollar reserves and less than 14 percent of your annual exports. Your gold and dollar reserves are not only the highest in Latin America, but on a per capita basis are higher than those of the United States. At a time when many countries are suffering from seemingly uncontrollable inflation, Venezuela can report that its price level has increased less than three percent a year for the last ten years. While other countries go through round after round of devaluation, Venezuela can point to a currency whose value has not changed since 1961 and which is recognized by the I.M.F. as a "hard" currency.

Let us not be satisfied with the successes of our respective countries in the past; we must look beyond our national borders, if we are to broaden the continental markets. We realize that the Alliance for Progress, whose objectives are a peaceful revolution in the social and economic realm, is primarily and essentially a cooperative venture of Latin American countries. Our help and participation, as helpful as it may be, is only marginal as compared to the tremendous effort which the Latin countries have to put into this program.

For the past two months, our Subcommittee on Inter-American Affairs has been reviewing the Alliance for Progress, and we share with our friends in Latin America a feeling of disappointment that the steps which have been taken in the past years towards the objectives of the Charter of Punta del Este, have to some extent been short.

Your country, Venezuela, must play a vital role in the relations with your neighboring republics, for the future of the Alliance rests upon a cooperative spirit, if it is to be a success. We welcome your thoughts and proposals regarding the future course of the Alliance for Progress.

Again, let me bid you welcome to Capitol Hill, and express the hope that your visit and the remainder of your stay in this country will be pleasant and informative.

This is your house.

APOLLO 10—A MAGNIFICENT JOURNEY

(Mr. CASEY was granted permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. CASEY. Mr. Speaker, the magnificent and incredible journey of Apollo 10 is over and our proud and thankful Nation has welcomed back the men who made it such a success.

To Astronauts Tom Stafford, John Young, and Eugene Cernan my sincere congratulations and best wishes for a job well done—and a special thanks for making it possible for us to view by television the unbelievable wonders of space and the mysteries of our moon.

I share the great pride of all Americans in their accomplishment, and I know these men would be the first to acknowledge that their spectacular success could not have been possible without the earlier flights and the dedicated effort of the men and women of NASA and the aerospace industry. We, in Metropolitan Houston, take special pride in the fact that these men of warmth and humor we followed so closely on their journey are our friends and neighbors, and we are grateful they are home safe.

Much, in the coming days, will be written and said about the voyage of Apollo 10 and its great contributions to our space program, and to increasing mankind's knowledge of the mysteries of our universe. We must leave to the scientists, of course, the technical evaluation of all of the information Apollo 10 gained on its voyage. We at home, who watched and waited for the progress reports, can only place this spectacular success in the framework of our earthbound perspective. We know they have handed to us the key to the door of space travel. We know that if man's destiny is to reach out past the stars, then Tom Stafford, John Young and Gene Cernan have pointed out the road. And to follow that road is going to take courage, determination, and full support by the American people and their Representatives in Congress. And I, for one, intend to give it my support.

Mr. Speaker, in the Washington Evening Star today is an excellent article on the future prospects of this program, which I believe should be brought to the attention of all our people:

PLANETS ARE TRUE GOAL: NASA LOOKS BEYOND MOON

(By Orr Kelly)

HOUSTON.—The historic flight of Apollo 10 has shown that man can extend human life throughout the planets of our solar system, says Dr. Thomas O. Paine, administrator of the National Aeronautics and Space Administration.

Paine hailed the successful eight-day flight of Thomas P. Stafford, John W. Young and Eugene A. Cernan as proof that man can and will go to the moon—probably landing two Apollo astronauts there the afternoon of July 20.

At a press conference here shortly after the bull's eye Apollo splashdown in the Pacific at 12:52 p.m. EDT yesterday, Paine took a sharply different view of planetary exploration than Soviet scientists.

The astronauts were told Sunday of Soviet boasts that machines, rather than man, would be used to explore the "gloomiest corner of the solar system."

The astronauts were also told that Soviet scientists had been convinced by the landing of their two unmanned probes on Venus just before the takeoff of Apollo 10 that "man will never go there."

Paine took just the opposite view.

"While the moon has been the focus of our efforts, the true goal is far more than being first to land men on the moon, as though it were a celestial Mt. Everest to be climbed," he said.

"The real goal is to develop and demonstrate the capability for interplanetary travel. With some awe we contemplate the fact that men can now walk on extra-terrestrial shores.

"We are providing the most exciting answer possible to the age-old question of whether life as we know it on earth can exist on the moon and the planets.

"The answer is yes. Men working together with modern science and technology can extend the domain of terrestrial life through the solar system."

MARS LANDING

In Washington, President Nixon's science aviser said that in 10, 15 or 20 years it may be possible to contemplate a manned landing on Mars.

Dr. Lee A. DuBridge, president of the California Institute of Technology before he came to the White House earlier this year, made the speculation in testimony to a House Appropriations subcommittee. The testimony was given Feb. 25 but not made public until today.

"Where are we going to go with manned spaceflight after the moon?" Rep. Louis C. Wyman, R-N.H., asked at the hearing. "Where can we possibly go?"

DuBridge answered:

"I do not believe that the time is yet ripe for us to make specific plans for manned flights beyond the moon. Eventually, many people believe that man will land on Mars. I do not think it is technologically feasible to plan that now.

"Maybe in 10, 15, 20 years it would be possible, depending upon budgetary problems as well as technological problems and developments, to contemplate a manned landing on Mars."

DuBridge said he believed Mars was the only other planet in the solar system on which man could survive, and therefore, the only other planet to which a manned flight would be feasible.

"Venus might be contemplated but landing on Venus would be suicide because of the very high temperatures on the surface of the planet, with any technologies that we now possess," DuBridge said.

Paine declined to set a timetable for man's exploration of the planets, but both he and other officials at the Manned Spacecraft Center here seemed supremely confident that the Apollo 11 flight will be able to get off on schedule July 16 and land two men on the moon four days later.

"The Apollo 10 crew are pioneers who have brought men to the threshold of a new era," Paine said. "Today we see no obstacles on the path to the moon. Two weeks from today, when we have carefully reviewed the flight data and debriefed the crew of Apollo 10, we will know whether we will be ready to set forth on July 16."

But NASA will not hesitate to postpone the mission or bring the crew home early if necessary, Paine said.

During the entire Apollo 10 mission, there was only one problem that seemed to cause serious concern to space officials on the ground and that might threaten the launch date for Apollo 11.

That was the failure of the Lunar Module, or LEM, to transmit what is known as "high bit rate data" on its first low-level pass over the moon.

"High bit rate data" is the detailed information on its internal functioning that the LEM automatically feeds back to earth. By analyzing this information, ground controllers can know within moments if anything threatens to go wrong and can help the crew out of trouble.

Without successful transmission of this information, a limited amount of information is passed on automatically to the orbiting Command Module and can then be passed on to earth. But this information is incomplete and may arrive too late.

Dr. Robert R. Gilruth, director of the Manned Spacecraft Center, said he was worried about the problem of getting information from the LEM and that he very much wants both automatic information and voice radio contact when the LEM sets down on the lunar surface.

But this problem of communication with the Apollo 10 LEM as it swooped down over the moon last Thursday only occurred once and may have been simply a problem of getting antennae lined up properly—a relatively simple matter.

Even some of the problems with Apollo 10 that made news during the eight-day voyage around the moon now seem to officials here as of relatively little concern.

The most spectacular was the gyration performed by the LEM just as its lower portion was cast off on the second pass close to the moon.

Officials said the problem probably occurred because a switch appeared to be in one position but was actually in another position as viewed by Stafford.

The capsule for the Apollo 11 flight is already being redesigned to eliminate the laminated and fiberglass insulation that broke free in the Apollo 10 cabin and caused the crew some irritating but not dangerous problems.

CAUSE FOR LAUGHTER

The flight of Apollo 10 probably was as nearly flawless as any in history of man's venture into space.

One newsman, at a press conference following the splashdown, brought a roar of laughter when he asked in an accusatory tone why Apollo 10 ended its 830,776-mile journey around the moon 35 seconds late.

The astronauts, probably the healthiest and most cheerful crew ever to sail through space, spent a few hours on the Princeton, got a call from President Nixon, flew by helicopter to Pago Pago, in American Samoa, and then headed home to Houston in an Air Force plane.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. BINGHAM (at the request of Mr. ALBERT), for today, on account of illness.

Mr. HOSMER, for May 28, on account of official business.

Mr. HUNT (at the request of Mr. GERALD R. FORD), for May 26 and 27, 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:

(The following Members (at the request of Mr. MILLER of Ohio) to revise and extend their remarks, and include extraneous matter:)

Mr. SAYLOR, for 30 minutes, today.

Mr. RUPPE, for 10 minutes, today.

(The following Members (at the request of Mr. CHAPPELL) and to revise and extend their remarks and include extraneous matter:)

Mr. GONZALEZ, for 10 minutes, today.

Mr. FARBSTEIN, for 30 minutes, today.

Mr. CULVER, for 10 minutes, today.

Mr. FARBSTEIN, for 30 minutes, on May 28.

EXTENSIONS OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. SNYDER and to include extraneous matter.

Mr. TALCOTT and to include extraneous matter.

Mr. HALL, immediately prior to the passage of the agricultural appropriation bill, today.

Mr. BARRETT, in the Committee of the Whole today, following the remarks of Mr. EDWARDS of California on his amendment.

Mr. LANGEN to revise and extend remarks in debate on H.R. 11612

Mr. OLSEN and to include extraneous matter.

Mr. FULTON of Tennessee (at the request of Mr. WRIGHT) following the remarks of Mr. WRIGHT in the Committee of the Whole today.

Mr. ECKHARDT to revise and extend his remarks immediately before the Committee rose on the agricultural appropriation bill today.

Mr. STEED to revise and extend his remarks during consideration of the Post Office bill in the Committee of the Whole today and to include extraneous matter.

(The following Members (at the request of Mr. MILLER of Ohio) and to include extraneous matter:)

Mr. CLEVELAND in two instances.
Mr. ROBISON.
Mr. ESHLEMAN.
Mr. ASHBROOK in two instances.
Mr. DELLENBACK.
Mr. ANDERSON of Illinois.
Mr. ERLENBORN.
Mr. HARVEY.
Mr. DUNCAN.
Mr. MESKILL.
Mr. MIZE in two instances.
Mr. DENNEY.
Mr. GROSS.
Mr. SNYDER.
Mr. MINSHALL.
Mr. MCDONALD of Michigan.
Mr. MCKNEALLY.
Mr. BRAY in three instances.
Mr. WYDLER.
Mr. HOSMER in two instances.
Mr. GERALD R. FORD.
Mr. CRAMER in four instances.
Mr. TAFT in two instances.
Mr. HARSHA.
Mr. BLACKBURN in five instances.
Mr. SCHWENGEL in two instances.
Mr. MAILLIARD.

(The following Members (at the request of Mr. CHAPPELL) and to include extraneous matter:)

Mrs. GRIFFITHS.
Mr. MOLLOHAN in three instances.
Mr. EILBERG in two instances.
Mr. LONG of Maryland in three instances.
Mr. GONZALEZ in two instances.
Mr. ALEXANDER.
Mr. FRAZER.
Mr. EDWARDS of California in three instances.
Mr. OTTINGER.
Mr. MATSUNAGA.
Mr. MINISH.
Mr. SHIPLEY in two instances.
Mr. HÉBERT.
Mr. HULL.
Mr. GARMATZ.
Mr. DADDARIO.
Mr. JONES of North Carolina in two instances.
Mr. MARSH.
Mr. TEAGUE of Texas in six instances.
Mrs. MINK in two instances.
Mr. MIKVA in four instances.
Mr. DONOHUE in two instances.
Mrs. HANSEN of Washington in three instances.
Mr. RARICK in six instances.
Mr. LEGGETT in two instances.
Mr. COHELAN in four instances.
Mr. OLSEN.
Mr. FARBSTEIN in four instances.
Mr. WILLIAM D. FORD in two instances.
Mr. RYAN in three instances.
Mr. GRIFFIN in two instances.

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. 133. An act to authorize the vessel *Orion* to engage in the coastwise trade; to the Committee on Merchant Marine and Fisheries.

S. 753. An act to authorize and direct the Secretary of Transportation to cause the vessel *Cap'n Frank*, owned by Ernest R. Darling, of South Portland, Maine, to be documented as a vessel of the United States with full coastwise privileges; to the Committee on Merchant Marine and Fisheries.

S. 826. An act to designate certain lands in the Seney, Huron Islands, and Michigan Islands National Wildlife Refuges in Michigan, the Gravel Island and Green Bay National Wildlife Refuges in Wisconsin, and the Moosehorn National Wildlife Refuge in Maine, as wilderness; to the Committee on Interior and Insular Affairs.

S. 2224. An act to amend the Investment Company Act of 1940 and the Investment Advisers Act of 1940 to define the equitable standards governing relationships between investment companies and their investment advisers and principal underwriters, and for other purposes; to the Committee on Interstate and Foreign Commerce.

ENROLLED BILL SIGNED

Mr. FRIEDEL, 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. 9328. An act to amend title 37, United States Code, to provide special pay to naval officers qualified in submarines, who have the current technical qualification for duty in connection with supervision, operation, and maintenance of naval nuclear propulsion plants, who agree to remain in active submarine service for one period of 4 years beyond any other obligated active service, and for other purposes.

BILL PRESENTED TO THE PRESIDENT

Mr. FRIEDEL, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H.R. 9328. An act to amend title 37, United States Code, to provide special pay to naval officers, qualified in submarines, who have the current technical qualification for duty in connection with supervision, operation, and maintenance of naval nuclear propulsion plants, who agree to remain in active submarine service for one period of 4 years beyond any other obligated active service, and for other purposes.

ADJOURNMENT

Mr. CHAPPELL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 14 minutes p.m.), the House adjourned until tomorrow, Wednesday, May 28, 1969, 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:

803. A letter from the Under Secretary of Defense, transmitting a report on support furnished in various locations from military functions appropriations, for the third quarter of fiscal year 1969, pursuant to the provisions of section 537 of the Defense Appropriation Act, 1969 (Public Law 90–580); to the Committee on Appropriations.

804. A letter from the Comptroller General of the United States, transmitting a report on a review of the effectiveness of the Air Force systems for managing manpower resources at airbases in Thailand; to the Committee on Government Operations.

805. A letter from the Comptroller General of the United States, transmitting a report on the audit of the Federal Deposit Insurance Corporation for fiscal year 1968, limited by agency restriction on access to bank examination records (H. Doc. No. 91–120); to the Committee on Government Operations and ordered to be printed.

806. A letter from the Deputy Assistant Secretary of Defense (Properties and Installations), transmitting notification of an increase in excess of 15 percent in the estimated cost of a construction project proposed to be undertaken for the Naval and Marine Corps Reserve; to the Committee on Armed Services.

807. A letter from the Deputy Assistant Secretary of Defense (Properties and Installations), transmitting notification of the location, nature, and estimated cost of a facilities project proposed to be undertaken for the Air National Guard, pursuant to the provisions of 10 U.S.C. 2233a(1)(b); to the Committe on Armed Services.

808. A letter from the Deputy Assistant Secretary of Defense (Installations and Logistics), transmitting a report on Department of Defense procurement from small and other business firms for July 1968 through February 1969 pursuant to the provisions of section 10(d) of the Small Business Act, as amended; to the Committee on Banking and Currency.

809. A letter from the Commissioner of the District Columbia, transmitting a corrected draft of proposed legislation to authorize in the District of Columbia a program of public day-care services and to provide public assistance in the form of foster home care to certain dependent children; to the Committee on the District of Columbia.

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. TEAGUE of Texas: Committee on Veterans' Affairs. H.R. 692. A bill to amend section 620 of title 38, United States Code, to extend the length of time community nursing home care may be provided at the expense of the United States (Rept. No. 91–268). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H.R. 693. A bill to amend title 38 of the United States Code to provide that veterans who are 70 years of age or older shall be deemed to be unable to defray the expenses of necessary hospital or domiciliary care, and for other purposes; with amendment (Rept. No. 91–269). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H.R. 2768. A bill to amend title 38 of the United States Code in order to eliminate the 6-month limitation on the furnishing of nursing home care in the case of veterans with service-connected disabilities; with amendment (Rept. No. 91–270). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H.R. 3130. A bill to amend title 38, United States Code, to provide that the Administrator of Veterans' Affairs may furnish medical services for non-service-connected disability to any war veteran who has total disability from a service-connected disability (Rept. No. 91–271). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H.R. 9334. A bill to amend title 38, United States Code, to promote the care and treatment of veterans in State veterans' homes (Rept. No. 91–272). Referred to the Committee of the Whole House on the State of Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H.R. 9634. A bill to amend title 38 of the United States Code in order to improve and make more effective the Veterans' Administration program of sharing specialized medical resources (Rept. No. 91–273). Referred to the Committee of the Whole House on the State of the Union.

Mr. PERKINS: Committee on Education and Labor. H.R. 763. A bill to provide for a study of the extent and enforcement of State laws and regulations governing the operation of youth camps (Rept. No. 91–274). Referred to the Committee of the Whole House on the State of the Union.

Mr. O'NEILL of Massachusetts: Committee on Rules. House Resolution 426. Resolution for consideration of H.R. 4204, a bill to amend section 6 of the War Claims Act of 1948 to include prisoners of war captured during the Vietnam conflict (Rept. No. 91–275). Referred to the House Calendar.

Mr. MADDEN: Committee on Rules. House Resolution 427. Resolution for consideration of H.R. 10946, a bill to promote health and safety in the building trades and construction industry in all Federal and federally financed or federally assisted construction projects (Rept. No. 91–276). Referred to the House Calendar.

Mr. PEPPER: Committee on Rules. House Resolution 428. Resolution for consideration of H.R. 11102, a bill to amend the provisions of the Public Health Service Act relating to the construction and modernization of hospitals and other medical facilities by providing separate authorizations of appropriations for new construction and for modernization of facilities, authorizing Federal guarantees of loans for such construction and modernization and Federal payment of part of the interest thereon, authorizing grants for modernization of emergency rooms of general hospitals, and extending and making other improvements in the program authorized by these provisions (Rept. No. 91–277). Referred to the House Calendar.

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 Illinois:

H.R. 11682. A bill to amend title 38 of the United States Code in order to deem certain full-time training duty as active duty for purposes of entitlement to educational benefits under chapter 34 of such title; to the Committee on Veterans' Affairs.

By Mr. HANSEN of Idaho:

H.R. 11683. A bill to require certain certification with respect to odometers on motor vehicles used in commerce; to the Committee on Interstate and Foreign Commerce.

By Mr. BENNETT:

H.R. 11684. A bill to provide additional benefits for optometry officers of the uniformed services; to the Committee on Armed Services.

H.R. 11685. A bill to amend Public Law 85–905 to provide for a National Center on Educational Media and Materials for the Handicapped, and for other purposes; to the Committee on Education and Labor.

By Mr. BUSH (for himself, Mr. CAREY, Mr. COUGHLIN, Mr. CULVER, Mr. DELLENBACK, Mr. GROVER, Mr. HECHLER of West Virginia, Mr. MCCLOSKEY, Mr. PIKE, Mr. QUIE, Mr. RIEGLE, Mr. ROSENTHAL, Mr. ST. ONGE, Mr. TUNNEY, Mr. VAN DEERLIN, and Mr. WHALEN):

H.R. 11686. A bill to improve the operation of the legislative branch of the Federal Government, and for other purposes; to the Committee on Rules.

By Mr. CARTER:

H.R. 11687. A bill to provide for the more efficient development and improved management of national forest commercial timberlands, to establish a high-timber-yield fund, and for other purposes; to the Committee on Agriculture.

By Mr. CULVER:

H.R. 11688. A bill to amend title II of the Social Security Act so as to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder; to the Committee on Ways and Means.

By Mr. GAYDOS:

H.R. 11689. A bill to adjust agricultural production, to provide a transitional program for farmers, and for other purposes; to the Committee on Agriculture.

By Mr. GIAIMO:

H.R. 11690. A bill to authorize the minting of nonsilver coins in the denomination of $1; to the Committee on Banking and Currency.

By Mr. McDADE:

H.R. 11691. A bill to amend the Public Health Service Act to provide for the establishment of a National Lung Institute; to the Committee on Interstate and Foreign Commerce.

H.R. 11692. A bill to regulate imports of milk and dairy products, and for other purposes; to the Committee on Ways and Means.

By Mr. McFALL:

H.R. 11693. A bill to amend the U.S. Housing Act of 1937 to require the payment of prevailing wage rates (as provided by the Davis-Bacon Act) in the construction of new housing to be used as low-rent housing in private accommodations under the public housing program; to the Committee on Banking and Currency.

By Mr. MATSUNAGA:

H.R. 11694. A bill to provide for public disclosure by Members of the House of Representatives, Members of the U.S. Senate, justices and judges of the U.S. courts, and policymaking officials of the executive branch as designated by the Civil Service Commission, but including the President, Vice President, and Cabinet members; and by candidates for the House of Representatives and the Senate, the Presidency, and the Vice-Presidency; and to give the House Committee on Standards of Conduct, the Senate Select Committee on Standards of Conduct, the Director of the Administrative Office of the U.S. Courts, and the Attorney General of the United States appropriate jurisdiction; to the Committee on the Judiciary.

By Mr. MORSE:

H.R. 11695. A bill to amend the Internal Revenue Code of 1954 to provide that the cost of maintaining a retarded child in a professionally qualified custodial institution shall be deductible as a medical expense; to the Committee on Ways and Means.

By Mr. MURPHY of New York:

H.R. 11696. A bill to reclassify certain positions in the postal field service, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. ROGERS of Florida:

H.R. 11697. A bill to amend the Federal Food, Drug, and Cosmetic Act to include marihuana as a depressant or stimulant drug regulated by that act; to the Committee on Interstate and Foreign Commerce.

By Mr. ROONEY of Pennsylvania:

H.R. 11698. A bill to adjust agricultural production, to provide a transitional program for farmers, and for other purposes; to the Committee on Agriculture.

By Mr. RYAN:

H.R. 11699. A bill to provide that Federal assistance to a State or local government or agency for rehabilitation or renovation of housing and for enforcement of local or State housing codes under the urban renewal program, the public housing program, or the model cities program, or under any other program involving the provision by State or local governments of housing or related facilities, shall be made available only on condition that the recipient submit and carry out an effective plan for eliminating the causes of lead-based paint poisoning; to the Committee on Banking and Currency.

By Mr. SHIPLEY:

H.R. 11700. A bill to provide for orderly trade in footwear; to the Committee on Ways and Means.

By Mr. STAGGERS:

H.R. 11701. A bill to amend the Public Health Service Act, the Federal Food, Drug, and Cosmetic Act, the Community Mental Health Centers Act, and other acts to establish a comprehensive program to deal with narcotic addiction and drug abuse, to provide for control of marihuana, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. STAGGERS (for himself and Mr. SPRINGER):

H.R. 11702. A bill to amend the Public Health Service Act to improve and extend the provisions relating to assistance to medical libraries and related instrumentalities, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. TEAGUE of Texas (by request):

H.R. 11703. A bill to authorize the Administrator of Veterans' Affairs to sell at prices which he determines to be reasonable under prevailing mortgage market conditions direct loans made to veterans under chapter 37, title 38, United States Code; to the Committee on Veterans' Affairs.

By Mr. WAMPLER:

H.R. 11704. A bill to abolish the Commission on Executive, Legislative, and Judicial Salaries established by section 225 of the Federal Salary Act of 1967, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. YATRON:

H.R. 11705. A bill to adjust agricultural production, to provide a transitional program for farmers, and for other purposes; to the Committee on Agriculture.

H.R. 11706. A bill to amend section 214 of the Foreign Assistance Act of 1961 to authorize additional funds for the purpose of providing financial assistance in connection with the expansion and improvement of American-sponsored medical facilities in Israel; to the Committee on Foreign Affairs.

By Mr. ANDREWS of North Dakota:

H.R. 11707. A bill, the Water Bank Act; to the Committee on Merchant Marine and Fisheries.

By Mr. BARING:

H.R. 11708. A bill to amend the Internal Revenue Code of 1954 to exclude from gross income allowances paid under section 5942 of title 5, United States Code; to the Committee on Ways and Means.

By Mr. BLATNIK:

H.R. 11709. A bill to amend title 5, United States Code, to authorize the payment of the

expenses of preparing and transporting to his home or place of interment the remains of a Federal employee who dies while performing official duties in Alaska or Hawaii, and for other purposes; to the Committee on Government Operations.

By Mr. CRAMER:

H.R. 11710. A bill to deny tax-exempt status to private foundations and organizations engaging in improper transactions with certain Government officials and former Government officials, and to impose an income tax of 100 percent on income received by such officials and former officials from such foundations and organizations; to the Committee on Ways and Means.

By Mr. FASCELL (for himself and Mr. MAILLIARD):

H.R. 11711. A bill to amend section 510 of the International Claims Settlement Act of 1949 to extend the time within which the Foreign Claims Settlement Commission is required to complete its affairs in connection with the settlement of claims against the Government of Cuba; to the Committee on Foreign Affairs.

By Mr. FRIEDEL:

H.R. 11712. A bill to amend the Communications Act of 1934 to establish orderly procedures for the consideration of applications for renewal of broadcast licenses; to the Committee on Interstate and Foreign Commerce.

By Mr. FULTON of Tennessee:

H.R. 11713. A bill to amend title 38 of the United States Code so as to provide that public or private retirement, annuity, or endowment payments (including monthly social security insurance benefits) shall not be included in computing annual income for the purpose of determining eligibility for a pension under chapter 15 of that title; to the Committee on Veterans' Affairs.

By Mr. GREEN of Pennsylvania:

H.R. 11714. A bill to permit officers and employees of the Federal Government to elect coverage under the old-age, survivors, and disability insurance system; to the Committee on Ways and Means.

By Mr. HARVEY:

H.R. 11715. A bill to amend title 28, United States Code, to limit the appellate jurisdiction of the Supreme Court in certain cases relating to the apportionment of population among districts from which Members of Congress are elected; to the Committee on the Judiciary.

By Mr. HATHAWAY:

H.R. 11716. A bill to provide for the control of mosquitoes and other biting flies including possible vectors of disease through research, technical assistance, and grants-in-aid for control projects; to the Committee on Interstate and Foreign Commerce.

By Mr. KLEPPE:

H.R. 11717. A bill to provide for conserving surface waters; to preserve and improve habitat for migratory waterfowl and other wildlife resources; to reduce runoff, soil and wind erosion, and contribute to food control; to contribute to improved water quality and reduce stream sedimentation; to contribute to improved subsurface moisture; to reduce acres of new land coming into production and to retire lands now in agricultural production; to enhance the natural beauty of the landscape; and to promote comprehensive and total water management planning; to the Committee on Merchant Marine and Fisheries.

By Mr. LONG of Louisiana:

H.R. 11718. A bill to amend the Federal Meat Inspection Act to require that imported meat and meat food products made in whole or in part of imported meat be labeled "imported" at all stages of distribution until delivery to the ultimate consumer; to the Committee on Agriculture.

H.R. 11719. A bill to provide additional benefits for optometry officers of the uniformed services; to the Committee on Armed Services.

H.R. 11720. A bill to declare a portion of Bayou Des Glaises, La., as a nonnavigable water of the United States; to the Committee on Interstate and Foreign Commerce.

H.R. 11721. A bill to provide for the election of circuit and district judges under the provisions of the article of amendment to the Constitution proposed by House Joint Resolution 692 of the 91st Congress; to the Committee on the Judiciary.

H.R. 11722. A bill to adjust the postal revenues and to afford protection to the public from offensive intrusion into their homes through the postal service of sexually oriented mail matter, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 11723. A bill to amend the Internal Revenue Code of 1954 to encourage higher education, and particularly the private funding thereof, by authorizing a deduction from gross income of reasonable amounts contributed to a qualified higher education fund established by the taxpayer for the purpose of funding the higher education of his dependents; to the Committee on Ways and Means.

By Mr. MILLER of Ohio:

H.R. 11724. A bill to provide incentives for the establishment of new or expanded job-producing industrial and commercial establishments in rural areas; to the Committee on Ways and Means.

By Mr. OLSEN:

H.R. 11725. A bill to amend title 37, United States Code, to provide for the procurement and retention of judge advocates and law specialist officers for the Armed Forces; to the Committee on Armed Services.

By Mr. QUILLEN:

H.R. 11726. A bill to amend the Agricultural adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended, and for other purposes; to the Committee on Agriculture.

By Mr. ROSTENKOWSKI:

H.R. 11727. A bill to amend the Internal Revenue Code of 1954 to allow a full-time student in good standing a deduction of $1,800 a year for his educational expenses, and to allow this deduction to other individuals who contribute to his educational expenses to the extent that the student himself does not qualify for the deduction; to the Committee on Ways and Means.

By Mr. RUPPE (for himself, Mr. BUTTON, Mr. HAMILTON, Mr. SCHWENGEL, Mr. SCHERLE, Mr. WALDIE, Mr. WEICKER, Mr. CORBETT, Mr. PODELL, Mr. BIESTER, Mr. BUSH, Mr. LLOYD, Mr. REES, Mr. MIKVA, Mr. ANDERSON of Illinois, Mr. MCCARTHY, Mr. VANDER JAGT, Mr. HECHLER of West Virginia, Mr. CUNNINGHAM, Mr. EDWARDS of California, Mr. MOSHER, and Mr. DELLENBACH):

H.R. 11728. A bill to provide for public disclosure by Members of the House of Representatives, Members of the U.S. Senate, justices and judges of the U.S. courts, and policymaking officials of the executive branch as designated by the Civil Service Commission, but including the President, Vice President, and Cabinet members; and by candidates for the House of Representatives and the Senate, the Presidency, and the Vice-Presidency; and to give the House Committee on Standards of Conduct, the Senate Select Committee on Standards of Conduct, the Director of the Administrative Office of the U.S. Courts, and the Attorney General of the United States appropriate jurisdiction; to the Committee on the Judiciary.

By Mr. VANDER JAGT:

H.R. 11729. A bill to prohibit the use of interstate facilities, including the mails, for the transportation of salacious advertising and certain materials to minors; to the Committee on the Judiciary.

H.R. 11730. A bill to afford protection to the public from offensive intrusion into their homes through the postal service of sexually oriented mail matter, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. WYMAN:

H.R. 11731. A bill to amend the Internal Security Act of 1950 to prohibit certain obstructive acts and practices; to the Committee on Internal Security.

By Mr. FASCELL (for himself and Mr. MAILLIARD):

H.J. Res. 746. Joint resolution to amend the joint resolution authorizing appropriations for the payment by the United States of its share of the expenses of the Pan American Institute of Geography and History; to the Committee on Foreign Affairs.

By Mr. MEEDS:

H.J. Res. 747. Joint resolution proposing an amendment to the Constitution of the United States to grant to citizens of the United States who have attained the age of 18 the right to vote; to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of rule XXII,

198. The SPEAKER presented a memorial of the Legislature of the State of Florida, ratifying the 19th amendment to the Constitution of the United States, which was referred to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. KOCH:

H.R. 11732. A bill for the relief of Eva Ezri; to the Committee on the Judiciary.

By Mr. McMILLAN:

H.R. 11733. A bill for the relief of Kamal Sedky Basily; to the Committee on the Judiciary.

By Mr. McMILLAN (by request):

H.R. 11734. A bill for the relief of William Temes; to the Committee on the Judiciary.

By Mr. MATSUNAGA:

H.R. 11735. A bill for the relief of Lt. Col. Frank Carlos; to the Committee on the Judiciary.

By Mr. VIGORITO:

H.R. 11736. A bill for the relief of Teresa Martelletti; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

126. The SPEAKER presented a petition of the county court, Deschutes County, Oreg., relative to the tax exemption for municipal bonds, which was referred to the Committee on Ways and Means.