rapid expansion of that program is urged. In addition, the report proposes that a training program in debt and money management counseling for defense credit union personnel be initiated.

Part of the study deals with the price/quality aspects of the military exchange program. The principal goal of the exchange system, to make necessary goods conveniently available at low prices, is largely achieved, the report says. But the lack of any performance-quality testing is seen as a weakness that should be corrected either by expansion of present extremely limited lab facilities or through contracts with other government labs or commercial facilities. The report also points to the need for more consideration of the needs and pocketbooks of low-rank military personnel in the selection of merchandise.

The problems of servicemen in securing auto insurance and the rates charged them were also studied. The department is urged to study the merits of the "no fault" insurance concept now being widely debated and under consideration by the legislatures in a number of states. A feature of this new approach known as "excess coverage" makes the youthful serviceman suddenly an attractive risk at a relatively low rate. This change in status derives from the fact that the premium would not have to cover such potentially costly items as loss of income and medical payments, the report says.

Still another section of the report recommends that the directive covering conditions for the sale of life insurance serve as the basis for similar regulations for the sale of mutual and variable annuities.

HOUSE OF REPRESENTATIVES—*Friday, June 27, 1969*

The House met at 11 o'clock a.m.

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

All things come from Thee, O Lord, and of Thine own have we given Thee.—1 Chronicles 29: 14.

O Thou whose wisdom is so wise that we often doubt it, whose love is so loving we often deny it, and whose truth is so true we often fear it, grant unto us such a full measure of Thy spirit that we may never doubt Thy wisdom, never deny Thy love, and never fear Thy truth.

Thou hast called us to live together in peace and good will. Let Thy presence so move in men that the leaders of the world may find support for peaceful procedures in their endeavor to establish justice, to maintain order, to develop understanding, and to build bridges between nations and people.

Teach us to unite what we ought to do with what we will do, that walking in the way of Thy word and obeying Thy commandments, we may have life more abundant, liberty more abounding, and love more abiding—all to the glory of Thy holy name. Amen.

THE JOURNAL

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

MESSAGE FROM THE SENATE

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

H.R. 265. An act to amend section 502 of the Merchant Marine Act, 1936, relating to construction-differential subsidies.

The message also announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 12167. An act to authorize appropriations to the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes.

The message also announced that the Senate agrees to the amendment of the House to a concurrent resolution of the Senate of the following title:

S. Con. Res. 17. Concurrent resolution to recognize the 10th anniversary of the opening of the St. Lawrence Seaway.

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

S. 621. An act to provide for the establishment of the Apostle Islands National Lakeshore in the State of Wisconsin, and for other purposes;

S. 1076. An act to establish a pilot program in the Departments of the Interior and Agriculture designated as the Youth Conservation Corps, and for other purposes;

S. 1708. An act to amend title I of the Land and Water Conservation Fund Act of 1965 (78 Stat. 897), and for other purposes;

S. 1932. An act for the relief of Arthur Rike; and

S.J. Res. 122. Joint resolution to provide for a temporary extension of the authority conferred by the Export Control Act of 1949.

THE HONORABLE JOHN MELCHER

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from Montana, Mr. JOHN MELCHER, be permitted to take the oath of office today. His certificate of election has not arrived, but there is no contest, and no question has been raised with respect to his election.

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

There was no objection.

Mr. MELCHER appeared at the bar of the House and took the oath of office.

PERMISSION FOR SUBCOMMITTEE ON FISHERIES AND WILDLIFE, COMMITTEE ON MERCHANT MARINE AND FISHERIES, TO SIT TODAY DURING GENERAL DEBATE

Mr. BOGGS. Mr. Speaker, I ask unanimous consent that the Subcommittee on Fisheries and Wildlife of the Committee on Merchant Marine and Fisheries may be permitted to sit today during general debate.

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

There was no objection.

PROVIDING EXTENSION OF AUTHORITY CONFERRED BY EXPORT CONTROL ACT OF 1949

Mr. PATMAN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the Senate joint resolution (S.J. Res. 122) to provide for a temporary extension of the authority conferred by the Export Control Act of 1949.

The Clerk read the title of the Senate joint resolution.

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

Mr. GROSS. Mr. Speaker, reserving the right to object, would the gentleman briefly explain the purpose of the resolution?

Mr. PATMAN. Will the gentleman yield?

Mr. GROSS. I am glad to yield to the gentleman from Texas.

Mr. PATMAN. Yes. I shall be very glad to. The enactment of the proposed legislation will extend the Export Control Act of 1949 for 2 months, to August 30, 1969. The Export Control Act furnishes the basic authority for control of exports to Communist bloc countries. It furnishes the authority for restricting the outflow of scarce materials, as well as the authority to regulate exports in furtherance of the foreign policy and national security of the United States. The temporary extension of the Export Control Act, which would otherwise expire on June 30, 1969, will enable the committee to complete its deliberations.

This has been agreed to unanimously by the subcommittee and by the gentleman from New Jersey (Mr. WIDNALL), the ranking minority member of the full committee.

Mr. GROSS. I thank the gentleman for his explanation.

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 Clerk read the Senate joint resolution, as follows:

S.J. RES. 122

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1 of the Export Control Act of 1949, as amended (50 U.S.C. App. 2032), is amended by striking out "June 30, 1969" and inserting in lieu thereof "August 30, 1969".

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

A similar House joint resolution (H.J. Res. 780) was laid on the table.

CALL OF THE HOUSE

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

The SPEAKER. Evidently a quorum is not present.

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

Mr. BOGGS. 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. 94]

Albert	Gallagher	Nedzi
Anderson, Ill.	Gibbons	O'Hara
Ashbrook	Gray	Ottinger
Aspinall	Green, Pa.	Pepper
Berry	Griffiths	Pettis
Biaggi	Grover	Podell
Bingham	Gude	Powell
Blatnik	Hagan	Pryor, Ark.
Brown, Calif.	Halpern	Purcell
Brown, Mich.	Harsha	Railsback
Broyhill, Va.	Hawkins	Reid, N.Y.
Byrne, Pa.	Hays	Riegle
Cahill	Hébert	Roberts
Carey	Heckler, Mass.	Ronan
Casey	Helstoski	Rostenkowski
Celler	Hicks	Ruppe
Chappell	Holifield	St. Onge
Clancy	Ichord	Sandman
Clark	Joelson	Satterfield
Clausen, Don H.	Kee	Schadeberg
	Kirwan	Scheuer
Cohelan	Kluczynski	Smith, N.Y.
Collier	Koch	Snyder
Conable	Kyros	Stanton
Cowger	Latta	Steiger, Wis.
Daddario	Leggett	Stokes
Daniels, N.J.	Lennon	Teague, Tex.
Davis, Wis.	Long, La.	Thompson, N.J.
Dawson	Lowenstein	Tunney
Delaney	Lujan	Ullman
Denney	Lukens	Waggonner
Derwinski	McClure	Watkins
Dingell	McEwen	Whalen
Dorn	McMillan	Whalley
Edmondson	Mailliard	Wiggins
Edwards, La.	Mathias	Williams
Esch	Meskill	Wilson, Bob
Eshleman	Michel	Wilson, Charles H.
Evans, Colo.	Montgomery	
Evins, Tenn.	Morgan	Wolff
Fish	Morse	Wright
Ford, William D.	Morton	Wydler
	Murphy, Ill.	Wyman
Fraser	Murphy, N.Y.	Zion

The SPEAKER. On this rollcall 303 Members have answered to their names, a quorum.

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

PROVIDING FOR CONCURRING IN THE SENATE AMENDMENTS TO H.R. 4229

Mr. COLMER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 455 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 455

Resolved, That immediately upon the adoption of this resolution the bill (H.R. 4229) to continue for a temporary period the existing suspension of duty on heptanoic acid, with the Senate amendments thereto, be, and the same is hereby taken from the Speaker's table, to the end that the Senate amendments be, and the same are hereby agreed to.

The SPEAKER. The gentleman from Mississippi is recognized for 1 hour.

Mr. COLMER. Mr. Speaker, I yield the customary 30 minutes to the minority Member, the able and distinguished gentleman from California (Mr. SMITH), and pending that I yield myself such time as I may consume.

Mr. Speaker, this is a very simple resolution, the import of it is very simple, as are the objectives that are sought. It really should not require a great deal of debate.

Mr. Speaker, for the benefit of those who are interested in the parliamentary situation, let me state very briefly this is a resolution that would, if adopted, take from the Speaker's table the bill, H.R. 4229, having to do with duties on heptanoic acid and agree to the Senate amendment.

When the House passed this bill and sent it over to the Senate, the Senate passed it and added an amendment. That amendment would simply provide for an extension of 30 days of the withholding of taxes on the surtax bill which expires in a few days.

Apparently, there is some confusion as to what happens when the rule is adopted. If the rule is adopted, that is the end of it. It is just that simple. There is no following legislation. The Government, the employers, and other interested employers are authorized to continue the withholding tax for 30 days.

Now I do not care whether you are for or against the extension of the surtax. This really has no bearing on it. It is not a test of how you are going to vote on the tax bill. This is a matter of housekeeping. This is a matter of avoiding the confusion that would result within the Internal Revenue Service, the employers, and other employers who are involved.

There would be a lot of confusion if the surtax were finally enacted and the withholding tax, or the right to withhold, expired next week without this authority.

So, I repeat, it is purely a matter of housekeeping. It is a very simple matter and I see no reason to take any further time in discussing it.

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

Mr. COLMER. I yield to the gentleman.

Mr. VANIK. I would like to state to the gentleman that I think this is a necessary resolution.

I think it is a resolution which does not commit the House in any way on the question of the surtax. It would be practically impossible to readjust the withholding schedules within the time that remains and it would cost great expenditures and cause a great problem for the Government itself with its over 3 million employees.

Mr. Speaker, I certainly urge the adoption of the resolution and the legislation.

Mr. COLMER. I thank the distinguished gentleman from Ohio. He has said what I tried to say so much better than I said it.

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

Mr. COLMER. I yield to the gentleman from Iowa.

Mr. GROSS. I would like to take this opportunity to protest this kind of legislative procedure. We passed a bill and it has been amended with a totally ungermane provision and sent back to the House. But that is the situation we have before us, and unless the rule is defeated, or unless the previous question is defeated, we are stuck with it.

The question I really wanted to ask is this: If continuation of the surtax is defeated, will the withholding be restored to the taxpayer?

Mr. COLMER. I think in response to that question it is so evident that that is exactly what will happen, I should have stated it in my previous remarks.

Mr. GROSS. I thank the gentleman from Mississippi.

Mr. COLMER. I thank the gentleman from Iowa.

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

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

Mr. BOGGS. In further answer to the gentleman's question, the taxpayer would receive an automatic refund when his return is filed in April.

Mr. COLMER. I thank the gentleman.

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

Mr. COLMER. I yield to the gentleman from Oklahoma.

Mr. ALBERT. The gentleman is correct. There are two aspects to the question of the surcharge being extended to any degree or for any length of time. Extension is necessary to avoid confusion and waste. If it is not extended, the taxpayer's right to refund is fully protected.

Mr. COLMER. Again, the gentleman has well stated the situation.

Mr. BURTON of California. Mr. Speaker, will the gentleman yield?

Mr. COLMER. I yield to the gentleman from California.

Mr. BURTON af California. I would like to join with the distinguished chairman of the Rules Committee in support of this rule. I fully associate myself with the remarks of our colleague, the gentleman from Ohio (Mr. VANIK). I think the proposal is a reasonable and necessary one, and should be adopted without controversy.

Mr. COLMER. I thank the gentleman for his contribution.

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

Mr. COLMER. I yield to the gentleman from Iowa.

Mr. GROSS. The gentleman says the money will be refunded next April. Is the Federal Government going to pay interest on the money that it takes from the taxpayer under this withholding and uses until next April?

Mr. COLMER. The gentleman from Iowa, as usual, raises a very interesting question. Judging by the response of the House, perhaps I should leave it there. But I did not intend to treat lightly the question of my friend. I can only say to him that I do not have the answer to that question.

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

Mr. COLMER. I yield to the gentleman from Wisconsin, the able ranking minority member of the Committee on Ways and Means, who is better qualified to answer that question than I.

Mr. BYRNES of Wisconsin. I do not think there should be any question as to what the situation is. In the event withholding is extended for 1 month, and the surtax is not continued, then the amount becomes part of the basic withholding of that particular individual taxpayer. In April it is determined whether there has been an overwithholding or an underwithholding in terms of total tax liability. If the proposed action should result in an overwithholding, the taxpayer would receive a refund. If there should be

an underwithholding, even with the withholding that would take place under this measure, the taxpayer would have to pay an additional amount as far as his tax liability is concerned. No interest is paid on overwithholdings.

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

Mr. COLMER. I yield to the gentleman from Indiana.

Mr. JACOBS. I would like to direct a question to the gentleman who just spoke. I would like to ask what would happen for the 30 days in which that amount would be withheld which would not have been withheld without this continuing resolution? By the end of the year the taxpayer might catch up, but what about deprivation of the use of that money during the 30 days? There would be no interest paid for that time, and the man would not have given up use of that much money for the 30 days otherwise; is that not correct?

Mr. BYRNES of Wisconsin. The gentleman is absolutely correct. We have overpayments by other taxpayers that exist, irrespective of this surtax, under the law today by reason of withholding. In the course of a year more has been withheld than was necessary.

That takes place for many taxpayers are concerned. We should try to avoid overwithholding, but it does take place, and as of this date we pay no interest on overwithholding.

Mr. COLMER. Mr. Speaker, if I may I would like to add that as a practical matter it would appear to this humble person that the overwithholding is a saving that would occur under this unless we continue the surtax.

Mr. JACOBS. A savings account, however, that would pay no interest.

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

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

Mr. GILBERT. Mr. Speaker, I thank the gentleman for yielding. I wish to clarify the statement by our distinguished colleague, the gentleman from Wisconsin (Mr. BYRNES), and indicate this would be a benefit to the taxpayer, because the taxpayer in the event the surcharge is not voted into effect would receive either a refund or a credit, so the credit would become very important, because in the next period, instead of paying the higher rate, he would be paying the lower rate and receiving a deduction for the amount he had already paid.

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

Mr. COLMER. I will be glad to yield to the gentleman from Illinois if he will now agree to use the time I promised to him.

Mr. PUCINSKI. Mr. Speaker, we have heard a great deal about all the confusion that is going to be created in withholding and not withholding and about all the computers which would have to be restructured.

I wish somebody would tell me what right anyone has in this country to assume that the Congress will continuously rubberstamp the surtax. This surtax dies Monday night, and I would have assumed all parties concerned would have prepared their machines and computers to end the tax on Monday night in the absence of any affirmative action by the Congress. Will somebody tell me what right anyone had to assume this surtax would be continued?

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

Mr. COLMER. Mr. Speaker, I yield to the gentleman from Wisconsin.

Mr. BYRNES of Wisconsin. Mr. Speaker, I do not think anyone is assuming that.

Mr. PUCINSKI. Then there will be chaos. All these people are supposedly programing for the deduction after July 1, when there is nothing in the record to indicate this House is going to continue the surtax after July 1.

Mr. BYRNES of Wisconsin. Mr. Speaker, I am telling the gentleman we will have confusion because the employers will have to set up their payrolls differently from the way the payrolls are presently computed, because currently the surtax is in being and currently, therefore, the withholding tables take into account the surtax.

Mr. PUCINSKI. Mr. Speaker, if I may say something further.

Mr. BYRNES of Wisconsin. Mr. Speaker, I am not going to yield.

Mr. PUCINSKI. Mr. Speaker, I would like to say something further.

Mr. BYRNES of Wisconsin. Mr. Speaker, I am not going to yield to the gentleman.

Mr. Speaker, after the first of July, if the surtax is not extended, then the employers have to revert back to the payroll and the withholding tables that were in effect last year prior to the enactment of this tax. That will be the law under which they will have to operate.

Mr. PUCINSKI. And for a whole year they knew this law would expire Monday night. Let us stop kidding this Congress and the American people.

Mr. BYRNES of Wisconsin. Mr. Speaker, the gentleman from Mississippi yielded to me.

Mr. COLMER. I yielded to the gentleman from Wisconsin.

Mr. BYRNES of Wisconsin. Mr. Speaker, that is what I thought.

The confusion that will exist for the employers and employees, let me say to the gentleman, is that they will move back under the old withholding schedule in the checks, which will be issued after July 1 unless we do this. Then should Congress enact the surtax, the employers will have to go back again to another table and another withholding schedule. Then in January, if we continue the tax at the lower rate of 5 percent, we will have other withholding tables.

Why have this constant confusion of changing from week to week or month to month? We should give the employers and employees 30 days, so we may determine whether or not the surtax will or will not be continued and on what basis the withholding will be done.

Mr. COLMER. Mr. Speaker, I would like to take another moment to comment upon the observation made by my friend from Iowa (Mr. GROSS) with reference to his general objection to this type of legislating. I agree heartily with him that this practice of the other body in taking some minor House-passed bill and adding nongermane amendments is highly objectionable. As the gentleman may be aware, I have been protesting this procedure for years. In fact, I have a resolution pending that would simply provide that where the Senate placed an amendment upon a House-passed bill that was not germane under the House rules that the same would be subject to a point of order when the bill was returned to the House. Although I have urged this for several years, I have not succeeded in getting it reported because of the objection of the House leadership. I am now attempting to have it written into the reorganization bill which is in process of study in my own Rules Committee. I hope that I may be successful.

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

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

Mr. BOGGS. First I should like to commend the gentleman from Mississippi for a very fine explanation of the problem before the Congress.

Also, I can say there is nothing unique about this. Time and time again, in the case of the excise taxes, for example, we have continued collecting the excise taxes although Congress had not acted. But in the case of a withholding situation we have to act on it.

I could give the gentleman from Illinois, if he is interested, case after case after case in the enactment of legislation where this happens.

I commend the gentleman. Now permit me to take just a few additional minutes to explain precisely the Senate amendment.

Mr. Speaker, the Senate amendment added to the House-passed bill extends the surcharge withholding rates for the 1-month period from June 30, 1969, to July 31, 1969. This is withholding at a rate approximately 10 percent above that which would otherwise be applicable. This does not represent a change in any taxpayer's tax liability for 1969 but instead is intended to make it possible to postpone until July 31, 1969, any decision with respect to the administration's proposal to extend the surcharge. Should Congress not extend the surcharge, this will increase refunds or decrease tax payments otherwise due at the time of the filing of tax returns for 1969. This change should increase receipts with respect to the quarter immediately ahead by $600 million. It is merely a continuation of the present situation so that there will be time to consider this matter without upsetting the present withholding.

As you know, the administration has requested that a 10-percent surcharge be applied for the entire calendar year 1969 and that withholding rates reflecting the 10-percent surcharge be made applicable for the last half of the calendar year 1969. The request of the administration also, in effect, included the continuation of the surcharge at a 5-percent rate for the first half of 1970—or, more accurately, at a 2½-percent rate for the entire year. Other recommendations included in the administration proposals would repeal the 7-percent invest-

ment credit and would continue the excise taxes on automobiles and communications services, the present rates of 7 percent and 10 percent, respectively, for 1 more year—along with the postponement for 1 more year of the latter scheduled reductions. Nothing in this amendment relates to anything other than the surcharge.

As you know, on June 30, 1969, the surcharge withholding rate on individual income taxes terminates. The surcharge adds approximately 10 percent to withholding rates otherwise applicable. In view of the fact that the House will not be able to consider the administration proposals until Monday, June 30, this amendment provides additional time to consider these proposals without being confronted with the immediate termination of the surcharge withholding rates as of June 30.

Not only is more time needed for Congress to consider the administration proposals, but also in the absence of any action at this time employers might be faced with the difficult problem of changing over from one set of withholding rates as of July 1 and then, should Congress subsequently decide to accept part or all of the administration proposals, be faced with the necessity of shifting back to higher withholding tables if such action is completed by the Congress. This represents a considerable administrative burden for employers and also presents employees with changing take-home paychecks to which they would not be accustomed. It might also present the employees with the problem of underwithholding—that is, owing tax—at the end of the year should the full 10-percent surcharge be continued by the Congress for the remainder of the year.

It was for the reasons I have outlined above that the Senate concluded it was desirable to extend the surcharge withholding until July 31, 1969. This will give Congress time to adequately consider the administration proposals and will give assurance that employers will not be faced with two changes in withholding tables in a relatively short period of time.

It should be clearly understood, however, that this action does not prejudice congressional consideration of the issue of the surcharge since this does not represent a change in tax liability but only a change in the amount withheld. Therefore, should Congress subsequently decide not to enact any extension of the surcharge for the remainder of the calendar year 1969, this change in withholding would not affect any taxpayer's tax liability for the year. Instead, it would either increase the size of the income tax refund for which he had been eligible after the beginning of next year or, alternatively, would decrease tax payments he would be required to make at the time of filing his tax return for the calendar year 1969.

It is estimated that the extension of the surcharge withholding rates until July 31, 1969, will increase receipts coming into the Treasury during 1969 by $600 million. Whether this represents an increase in receipts for the entire fiscal year or merely represents refunds—or decreased tax payments—with respect to the latter half of the fiscal year 1970 will depend on whether or not subsequent action is taken by the Congress with respect to the administration's proposal to extend the surcharge.

The Senate amendment changes three dates in present law. First, it amends section 3402(a)(1) to provide that the percentage withholding tables which are applicable before the surcharge, and which under present law again become applicable after June 30, 1969, instead are to be applicable after July 31, 1969. These withholding rates are approximately 10 percent lower than the withholding rates applicable during the period when the surcharge applies.

The second change made by the Senate amendment amends section 3402(a)(2) relating to the percentage withholding tables applicable during the period when the surcharge applies. Under present law, the use of these tables terminates as of July 1, 1969. Under the Senate amendment, these tables continue in effect until August 1, 1969.

As an alternative to the percentage withholding tables, wage bracket withholding tables may, under present law, be used by the employer to determine the appropriate amount of withholding.

The third change made by the Senate amendment relates to section 3402(c)(6) which presently suspends the use of the regular wage bracket withholding tables for the period of the surcharge. Under present law, the use of the regular wage bracket withholding tables is suspended until July 1, 1969. The committee amendment suspends the use of the regular wage bracket withholding tables until August 1, 1969. In the interval, special wage bracket withholding tables apply, which in general provide rates that are 10 percent higher than the rates under the regular wage bracket withholding tables.

The changes made by the committee amendment apply with respect to wages paid after June 30, 1969.

Mr. Speaker, I will conclude by placing in the RECORD at this point an article from the Wall Street Journal indicating the concern which employers have over this matter:

CAPITOL HILL SLOWNESS ON SURTAX RENEWAL COMPLICATES JOBS OF PAYROLL EXECUTIVES

While Congressional leaders pondered in Washington whether the income surtax should be extended, payroll officials across the nation bemoaned that the slow deliberations were complicating their jobs.

The executives don't know if they should continue withholding the 10% surcharge on paychecks to be distributed after Monday, when the levy is scheduled to expire.

Congressional leaders are attempting to give them guidance; they hope to complete passage tomorrow of a measure extending the withholding rates a month.

"We just want some type of indications so we'll know what to do," pleaded a spokesman of Fibreboard Corp. in San Francisco.

Some companies were allowing for any eventuality. General Electric Co., for one, said in New York that it has prepared two sets of computer tapes for its payroll due July 3. One of the tapes continues the deduction; the other drops it.

Few companies, however, have the computer expertise of GE, itself a computer maker, so they've been forced to choose one alternative or the other.

General Dynamics Corp., for instance, is convinced Congress will extend the levy, at least temporarily. As a result, it said in New York it hasn't made any plans to alter its withholding procedures.

A pharmaceutical company in the Midwest said it, too, intends to continue collecting the withholding tax. It has notified its payroll centers to continue the existing tax schedule "until further notice."

But this company, less convinced than General Dynamics that the tax will be extended, concedes it may be treading on thin legal ground if it continues to withhold the surcharge without specific Congressional direction.

"In a technical sense, we ought to go around to all our people and say, 'Hey, can we have your permission to do that?' But I don't see us doing that," declared a spokesman for the drug producer. The solution, he said, is more "practical" than legal.

Another company examined the legal issue and concluded it had to stop withholding the surcharge the minute it ran out. "Barring passage of legislation," said an official at Reliance Electric Co., Cleveland, "we don't think we have any legal right to continue withholding at the higher level."

Holly Sugar Corp., Colorado Springs, took a similar position. "I don't see how we can legally withhold more than the law allows," a spokesman declared.

At another company, the timing of the levy's expiration is the subject of a lively debate. Lawyers for CPC International Inc., Englewood Cliffs, N.J., are trying to decide whether the tax expiration applies to when the wages were earned or when the paychecks were signed. At CPC, hourly workers will be paid July 3, after the scheduled expiration, for work performed in the week ended tomorrow, when the tax was still on the books.

Some executives insisted they could handle any necessary tax changes with ease, no matter what Congress ultimately decides on the surcharge extension.

TRW Inc., for example, said in Cleveland that one of its major divisions could adjust its payroll accounting by "merely plugging in a new withholding table." Another division of the same company, however, would have to reprogram its computer to reflect new tax rates, a spokesman said.

Such reprograming could be time consuming and expensive. One company estimated it would take 40 hours of skilled manpower. Another said that a programing switch could take "at least a month," all of which could prove wasted effort if Congress allows the tax to expire and then reinstates it at some later date.

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

In all honesty, Mr. Speaker, I believe we are all prepared to vote now. I believe we all know exactly what this resolution will do.

The gentleman from Mississippi, the distinguished chairman of the Rules Committee, has explained it in great detail.

By way of reiteration, however, we are voting on one resolution, and that is House Resolution 455. When that is voted up or down, that will be the answer.

The gentleman from Iowa says it could be defeated by a vote on the previous question. That is true, of course, but that procedure is used when there is a different rule someone desires to substitute in place of the resolution reported by the Rules Committee, and then the additional hour would be allowed for that debate. As I understand it, there is nothing different to be suggested on this. It is

either to extend the withholding rates for the month of July or not, to vote it up or to vote it down. I do not see any necessity for two votes, with one on the previous question, because one vote on the resolution would accomplish the same purpose.

This is a rather unusual procedure, that is true, but it is the only way it could be brought to the floor. We did it twice last year, as I recall. We did it on the omnibus crime bill and on the civil rights bill. We may have extended the time specifically for discussion on one resolution beyond 1 hour, but outside of that it was one vote up or down.

I believe this must be done this way. The Rules Committee is simply cooperating with the Members, to make this possible, so that we will not get into a lot of confusion.

I urge the adoption of the rule and a "yea" vote on House Resolution 455.

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

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

Mr. PUCINSKI. Is it correct to conclude that if this resolution is adopted we really will be setting up at least for 30 days a dual tax system? The workingman, the man who has his surtax withheld, will continue paying a surtax at least for 30 days, but the self-employed man, the person who does not have withholding, will not be affected, because the surtax will expire for that person at midnight Monday. That is true simply because this resolution says, on line 7, page 2, "with respect to wages paid after June 30." In other words, what we are doing now, when we vote for this—those who vote affirmatively—is really to say that the workingman will have the surtax continued at least for 30 days but the self-employed man, the one who does not have wages withheld, does not come under any withholding system, will have the surtax end for him as of midnight Monday night, assuming the Congress does not take any further action.

Mr. SMITH of California. I am not going to get into a discussion of theory. The gentleman from Wisconsin explained this situation. I will put in my nickel's worth.

My understanding is that if this is adopted the withholding tax rates on all wage earners will be extended through July 31, 1969, at the present rates.

We may have to make a change later with reference to the surtax bill, but since that question cannot be finally resolved prior to July 1 this procedure will insure that we do what we can to avoid confusion with respect to withholding of Federal income taxes.

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

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

Mr. BOGGS. The gentleman from California stated it so clearly. Determinations will be made when Congress makes its own decision on the extension of the surtax. That would include everybody, including some people who are supposed to be overpaid, like Members of Congress and so on. The term "working man" includes every man who earns a salary and not just a man who has a specific job to do. Everybody's tax will be withheld when that passes.

Mr. SMITH of California. It might be a good idea, as a matter of fact, for those with outside income to keep withholding the amounts necessary, because next spring they may have to find a little more money, if the surtax is extended next Monday.

Mr. Speaker, I reserve the balance of my time, but I do not have any further requests.

Mr. COLMER. Mr. Speaker, I yield 5 minutes to the gentleman from California (Mr. SISK).

Mr. SISK. Mr. Speaker, I appreciate the distinguished chairman of the committee yielding to me, and I hope not to take 5 minutes.

I want to join with my distinguished friend and chairman in support of this resolution. Along with my colleague, the gentleman from California (Mr. SMITH), I agree with him in his explanation of the position. He did an excellent job in explaining it. This is a very simple position. I hope that this resolution will pass by an overwhelming majority vote.

Mr. Speaker, I might say, of course, that this was in line with the desires of many of us in the past few weeks in our attempts to get a little more rationale into the so-called surtax package which the Committee on Ways and Means presented to the Committee on Rules. We felt that, based on the President's own statement, there was no rush and no reason to hurry, as indicated here, which existed in this area. The very action that we are taking today indicates that we do have plenty of time to give consideration to some of the other things which relate to taxes that the American people are concerned about.

Mr. Speaker, I wish to take just one moment longer to call the attention of the Members of the House to the fact that it is my understanding on next Monday—and I am going on the assumption that the program will not be changed, because I might say that, without criticism of anyone specifically, the gears have been shifted so regularly, almost every 24 hours, that I am not sure what we will be considering then but it is my understanding at this point at least—the surtax will be up on the floor. I would like to have my colleagues keep in mind the statements that occurred in the last 24 hours regarding the position of the other body. They propose to take up substantial reform measures in connection with this so that if perchance this House should decide to act affirmatively on Monday or on whatever time it may be scheduled, that is, on the surtax bill, I can very easily see that the House will be foreclosed from its opportunity really to write tax reform legislation and we will see the other body usurp that prerogative. I hope over the weekend or sometime between now and the time we vote on this measure that we can give real consideration to this, because if that should occur, then so far as this House is concerned, we will be precluded in the 91st Congress from taking any action or making any attempt to vote specifically on any of the issues that the American people are so gravely concerned about. We will simply not see this matter considered in Congress. I hope that thought will be kept in mind.

Mr. COLMER. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Indiana (Mr. MADDEN) a member of the Committee on Rules.

Mr. MADDEN. Mr. Speaker, we had quite a long session in the Committee on Rules the other day on this 1-year surtax extension. I agree with my colleague, the gentleman from California (Mr. SISK) who just addressed the House that there is not much we can do today on this 1-month extension of the 10-percent surtax. I intend to support this resolution today, but the big vote on this question of surtax extension comes up on Monday. That will be the important vote. A year ago I opposed the 10-percent 1-year surtax. I listened at that time to the arguments about how it was going to stop inflation, and I see it has not stopped inflation at all; it has helped expand inflation.

I was very much disappointed to find that we are going to have this vote come up on Monday because I thought that the Members were going to have an opportunity to go home next week over the Fourth of July weekend and talk to the people. Had they had that opportunity to go home over the July 4th weekend this surtax legislation next Monday would be defeated and get the death of a rag doll, because the people are aroused against unjust and unequal taxation. The salaried and wage earners are paying approximately two-thirds of our Federal taxes.

I do not know what the Members are going to do next Monday on this matter, but I am going to say that if we pass this surtax measure any real and effective tax loophole and reform legislation is dead for this session of Congress.

Now, we may get some kind of a tax reform bill from the Ways and Means Committee in August or September, but it will be a skim-milk operation. It will not repeal the fraudulent 27½-percent depletion and other oil tax credits and exemptions. It will probably take a small percentage of tax loopholes from big estates, inheritance and foundations, and real estate and conglomerates.

For the last 3 or 4 years every time the Committee on Ways and Means comes in to the Committee on Rules for a rule on tax legislation I have asked the chairman, "How about loopholes and tax reform." The chairman would always reply that the committee was too busy with other legislation.

The SPEAKER. The time of the gentleman has expired.

Mr. COLMER. Mr. Speaker, I yield 2 additional minutes to the gentleman from Indiana.

Mr. MADDEN. Mr. Speaker, I thank the gentleman for the additional time.

Mr. Speaker, I do not know why we should be in such a hurry on this thing, we are going to be here all day anyhow.

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

Mr. MADDEN. Permit me to finish my statement, and then I will yield if I have time available.

Well, Mr. Speaker, I discovered that there are no subcommittees whatsoever set up in the Committee on Ways and

Means. It is the only major committee where the chairman of the committee does not appoint subcommittees.

The chairman could have appointed a Subcommittee on Oil last January. The chairman could have appointed a Subcommittee on Foundation Loopholes, also a Subcommittee on Real Estate, Estates, Inheritance, Stock Transactions, and hearings could be held separately by these subcommittees. One subcommittee could have handled each one, and we could have had a real tax reform bill here in April or May and enacted it by now. The Ways and Means Committee is the only major committee that does not have subcommittees.

Why, Mr. Speaker, there are committees that have as many as 13 subcommittees. The Committee on Education and Labor has six subcommittees, the Committee on Appropriations has 13 subcommittees, the Banking and Currency Committee has eight subcommittees, the Committee on the Judiciary has five subcommittess, and the Agriculture Committee has 10 subcommittees.

What is the matter with the Committee on Ways and Means that it cannot have subcommittees, and stop filibustering on this tax loophole legislation? There could be at least $15 to $20 billion in taxes brought in by fat cats "loopholers" that are not paying any taxes on their profits. There are 25 members of the Ways and Means Committee. I want to comment on nine or 10 of these members who are in favor of effective tax reform.

The American public is aroused at tax reform delay. If the Members next Monday vote to continue this surtax for a year, without major tax reform legislation, we will eventually get a real tax reform bill, but it will be after a year from next November when the American people vote in a Congress that will give them the necessary tax reform.

The SPEAKER. The time of the gentleman has again expired.

Mr. MADDEN. Mr. Speaker, by permission granted I hereby include with my remarks the statement made by me on March 26 of this year before the Ways and Means Committee hearings on tax reform legislation:

STATEMENT OF CONGRESSMAN RAY J. MADDEN

Mr. Chairman, I wish to thank the Chairman and the Members of the Ways and Means Committee for giving me an opportunity to testify on this much-needed Federal tax reform legislation. I also want to commend your committee for calling these long-delayed hearings in order to secure first hand information for the American public on the deplorable conditions which our Federal tax system has reached in recent years. During my 27 years in Congress I have been shocked by the gradual increase in power, year by year, of specially privileged and powerful segments of our economy slowly and cleverly securing favorable legislation until, in some cases, they are totally exempt on Federal taxes from their exorbitant profits.

Our Federal tax laws, as of today, have become riddled with tax concessions, loopholes, tax credits, and depletion exemptions to a favored few who have the finances to employ powerful lobbyists to relieve their client of the responsibility for providing the revenue necessary to finance the enormous cost to keep our land the No. 1 nation in the world.

Former Treasury Secretary Joseph Barr revealed in January that 21 persons with incomes of over $1 million paid no taxes at all in 1967, while 155 with incomes of over $200,000 also escaped taxes entirely.

When the wealthy escape taxes, it is the average taxpayer who gets hit for higher taxes to make up the difference. The best example of this is the 10 percent tax surcharge. Faced with the need for more revenues, the Administration came running to the average middle class taxpayer, while doing nothing to make wealthy foundations, oil millionaires, real estate speculations, and highly-paid corporate executives pay their fair share. Those with incomes of $15,000 a year or less already pay nearly two-thirds of all personal Federal income taxes, and the surcharge simply adds to their burden. But to the wealthy exploiter of loopholes the surcharge is no problem at all—*10 percent of nothing is still nothing.*

If just a modest number of the fantastic and excessive tax loopholes and exemptions were eliminated there would be no need for an extension of the surcharge. I have introduced H.R. 9195, which if enacted into law would bring in more than $9 billion in additional revenue by plugging 13 of the more notorious loopholes in our Federal tax system. This happens to be the same amount that an extension of the 10 percent tax surcharge would yield in fiscal 1970. Thirty-one other Congressmen have sponsored identical legislation.

Among the loopholes this bill would close is the depletion allowance for oil and other minerals. Largely because of the oil depletion allowance, the 20 largest oil companies in the country paid only 8½ percent of their net income in taxes in 1966. One large company with profits ranging from $61,110,000 in 1962 and similar increased amounts of income in 1963, 1964, and 1965 paid no Federal taxes whatsoever.

Standard Oil of New Jersey had an income of $1,271,903,000 in 1962 but paid only sixtenths of one percent on their fabulous profits. In the following four years their percentage tax on similar profits ranges as follows:

Organization	Year	Net income before tax	Percent tax paid to Federal Government
Standard Oil (New Jersey)	1962	$1,271,903,000	0.6
	1963	1,584,469,000	4.3
	1964	1,628,555,000	1.7
	1965	1,679,675,000	4.9
	1966	1,830,914,000	6.3
Atlantic Oil	1962	61,110,000	0
	1963	56,747,000	0
	1964	61,081,000	0
	1965	105,299,000	0
	1966	127,384,000	

Some companies do not do as well as the oil companies, however. Perhaps they do not have as powerful a lobby in Washington as "big oil."

The following statistics on three coal companies illustrate the contrast:

Organization	Year	Gross profit	Percent tax paid to Federal Government
Consolidation Coal Co.	1964	$44,863,073	26
	1963	39,568,737	28
	1962	32,918,065	26
Pittston Co.	1964	13,721,024	30
	1963	(1)	
	1962	14,699,420	35
Island Creek Coal Co.	1964	7,713,060	18
	1963	5,149,930	24
	1962	3,459,563	(1)

[1] Lost by SEC.

The oil lobby will of course argue that the 27½ percent depletion allowance is needed to insure an adequate supply of reserve oil in emergencies, that it is vital to our national defense, that our economy will collapse without it, and that it will cure the common cold. Fortunately the Treasury has just released a thorough-going study of the tax breaks currently enjoyed by the oil industry and their effect on the level of oil reserves. The study, done by the CONSAD Research Corporation of Pittsburgh, challenges these oil industry arguments, concluding that the depletion allowance and special expense deductions enjoyed by the oil companies add only a small amount to the Nation's petroleum reserves. Furthermore, the Report goes on, the depletion allowance encourages excessive drilling and inefficient production methods and discourages research into other potential fuel sources. I don't think this is a very good bargain for the $2.25 billion worth of loopholes we gave to oil men in 1968. Big oil has been enjoying this financial bonanza for years. Real estate speculators are almost as generously treated at tax time as oil men.

Former Treasury Assistant Secretary Surrey, in a speech last year, said, "The Treasury recently examined the 1966 tax returns of 13 real estate operators, all of whom had very substantial gross incomes, and found that depreciation 'losses' reduced the tax liability of nine of them to zero and of two others to less than $25."

Doing away with the accelerated depreciation gimmick on speculative real estate would head off operators of this sort and bring in an extra $150 million in tax revenues each year.

Another gaping tax loophole is the 7 percent investment tax credit, enacted in 1962, which permits business firms to subtract from their tax bills 7 percent of the value of eligible new equipment installed during the year. It was intended to stimulate the economy by providing a subsidy to private investment.

However, our economy has been overstimulated and we are now in a period of serious inflation, fed in part by the investment tax credit. The credit concentrates inflationary spending power on precisely that portion of the economy that is already most overheated—the capital goods section in the first place, it creates a second round of inflation by causing business to hasten to invest before inflation drives up capital goods prices even further.

The Commerce Department Survey of business fixed investment plans for 1969, released on March 13, underscores the need for repeal of the investment tax credit. The survey predicted that total 1969 expenditures for new plant and equipment will reach a whopping $73 billion, a 14 percent increase over 1968. This contrasts with year-to-year increases of only 4 percent in 1968 and 2 percent in 1967.

This survey indicates strongly that it is capital goods inflation that is most serious, yet the Administration still insists on a 10 percent surcharge on the average consumer to combat inflation. If it is inflation they are concerned about, why not get at the real culprit by repealing the 7 percent investment tax credit?

The list of tax loopholes can be extended almost to eternity, as this committee well knows.

Capital gains which pass through an estate at death are not taxed.

The unlimited charitable deduction allows many millionaires to escape taxation entirely

Special tax treatment for stock options allows highly paid corporate executives to get tax advantages not open to the average wage earner.

The tax exemption for municipal industrial development bond interest encourages plant piracy and gives unwarranted subsidies to wealthy corporations, while costing the Treasury millions in lost revenues.

As an example, certain states of the Union who enjoy the exemption privileges of Sec-

tion B of the Taft-Hartley Law are paying sub-standard wages to millions of factory workers in their localities. These sub-standard wage workers are practically out of the buying market in regard to $3–$4 thousand dollar automobiles, $400 refrigerators, etc., etc., and are adding nothing to the employment and prosperity in factory production of our Nation. This, of course, is an exemption over which the Ways and Means Committee has no responsibility. On the other hand, your committee has recommended, and the Congress has enacted, tax exemptions for municipal industrial development bonds, which encourages plant piracy and gives unwarranted subsidies to wealthy corporations and industrial factories to move into these 14B states because thousands of towns and cities in these areas have taken advantage of the tax exempt industrial development bonds with cheap land and cheap wages to capture thousands of industrial factories from states paying a living wage to its workers. Multimillions could be brought into the Federal Treasury by the repeal of the interest on municipal and other local civic bond promotion.

The hobby farm loophole allows wealthy part-time farmers to escape taxes by using fictional farm "losses" to offset income.

I will not take more of the committee's time by extending the list of loopholes, for time is something we don't have very much of because of the need for immediate action in repeal of tax loopholes, exemptions, etc.

The American people are weary of being told that we are all very concerned about tax reform, that we are working very hard on it, and that it is very difficult and complicated and it is going to take a long time. The taxpaying public is running out of patience, and the surcharge is doing little to make them more tolerant.

Therefore, I would urge the committee to act within the next two months on as many major tax reform items as possible. Tax reform should not be postponed until we can put together a neat, tidy, "skimmilk" package that everyone can agree on. We will be here until the year 2000 if that is the goal.

I am not going to take the time of this committee in detailing the fabulous and fraudulent raid on the Federal Treasury by thousands of tax-avoiding estate foundations. A former Secretary of the Treasury stated before a Senate Committee that he could not speculate as to how many foundations are operating and enjoying tax exempt benefits. Some foundations are engaging in free enterprise industry in competition with regular tax paying corporation and non-exempt business and industries. One official in the Treasury Department testified that he would place the number of foundations enjoying tax exemptions at approximately 25,000. Congressman Wright Patman and other Members have gone into the foundation tax bonanza in detail before your committee, and I know your committee and all Members of Congress are familiar with its tax-avoiding ramifications.

Every tax dollar lost through these loopholes must be paid by another source. For the most part, this loss—and it has been estimated to be a whopping $50 billion—is paid by moderate income groups, by small people with incomes of $15 thousand and less, who cannot afford to hire high-priced accountants and tax lawyers to locate loopholes.

The House should be given an opportunity to work its will on tax reform at the earliest opportunity. I firmly believe that the heavy obligation of Government would warrant your committee concentrating on major loopholes which involves literally billions of escaped taxes by certain segments of our economy, and report a bill closing the top-bracket tax-escaping loopholes so the Congress can act immediately on the same. The minor loopholes can be taken up by your committee and considered later in the year. The American public has become familiar in recent years with the necessity of taking the gigantic tax load off the wage-earner and the salaried citizen while mammoth corporations and gigantic mergers of corporations profiteer on the American public. I do hope your committee will not submit a weak, and ineffective recommendation on the closing of the tax loopholes. As a Member of the Rules Committee, I for one, and I know of others that for the first time in years, will insist on an open rule on this legislation. This will give the other 410 Members of Congress an opportunity to answer the demand of the almost unanimous cry of the American public for tax reform.

It has been suggested by some Members that this legislation could be enacted in the next few months if the major loophole recipients, whose payments on their huge profits is but a pittance, would start paying into the Federal Treasury a blanket minimum Federal tax ranging from 15 percent to 30 percent of their profits. They then would join with the small businessmen and the wage and salaried citizen in supporting our huge domestic and foreign programs and other Federal obligations.

Mr. GIBBONS. Mr. Speaker, I am opposed to the extension of the Senate amendment to H.R. 4229. The purpose of this Senate amendment is to extend the surcharge withholding rates for the 1-month period from June 30, 1969, through July 31, 1969. Important hearings on deepening the Tampa Harbor necessitate my presence in Tampa.

I plan to be present Monday, June 30, and vigorously oppose H.R. 12290, the extension of the surtax.

Mr. KOCH. Mr. Speaker, I rise to speak about the surtax, one of the most important issues facing this Congress. Of concern to all of us are today's inflationary trends, and I am anxious that the President and the Congress take steps necessary to combat inflation. But I also believe that it is vitally important for the Congress to enact some meaningful tax reform; it is urgent that we right the injustices now threatening the integrity of our Nation's tax system. In addition, tax reform too can affect the Nation's deficit and counter inflationary trends through the revenue it raises.

Three administrations have talked about tax reform and yet none has been enacted. This year the Ways and Means Committee has made significant progress toward reform, and there are indications that a reform package will be submitted to this body for a vote in August.

On Monday we are scheduled to vote on a year's extension of the surtax. I believe that it would be a mistake to approve a full extension of the surtax without reforms. With the passage of the surtax, pressure in the Congress for reform will dwindle and once again the people of this country will not get the reform they deserve.

The surtax is our trump card for reform, let us not give it away until we get that reform.

It is clear that a complete reform package cannot be readied by Monday and so I would urge that only a 3-month extension be submitted for a vote with the understanding—clearly stated in the House—that in late August or September a total surtax/reform package will be submitted.

Three months will give the Ways and Means Committee sufficient time to complete its consideration of the reform proposals, opportunity to better evaluate the fiscal needs of our economy, and a chance to submit a combined reform/surtax package.

Today I am supporting the continuation of the surtax withholding schedules for 30 days. On Monday I will be prepared to vote for a 3-month extension of the surtax if it is coupled with a promise of meaningful reform; but I will not vote for H.R. 12290 now scheduled which provides the year's extension. I regret that in this same bill there are three needed measures which I support: the repeal of the 7-percent investment credit, a delay for another year of the reductions in telephone and automobile excise taxes, and the additional allowance to reduce taxes for those people at the poverty level.

The repeal of the investment credit and the poverty allowance are sweeteners intended to soften our opposition. But at this time I believe we must hold out for tax reform—otherwise the opportunity will be lost for perhaps another 10 years.

Mr. VANIK. Mr. Speaker, on Monday, the House of Representatives is scheduled to take up H.R. 12290, the Surtax Extension Act. Before this bill is considered, the House will act on Resolution No. 453 which provides a closed rule allowing no amendments to the bill after 4 hours of general debate.

In view of the fact that many who are opposed to the extension of the surtax will support the closed rule resolution as a matter of procedure, it is not my intention to oppose the closed rule. Nor is it my intention to support the motion to recommit which will be offered by a member of the Republican minority. The language of this motion has not been identified.

In my judgment, the goals of meaningful revenue-producing tax reform would be more readily achieved on a straight vote against the extension of the surtax. The legislation which we passed today authorizes the withholding of the 10-percent surcharge. A "no" vote on the extension of the surtax and the defeat of this proposal will provide the Ways and Means Committee and the House an extended period of time to develop a program of meaningful tax reform.

I am pleased to advise that my distinguished colleague from Indiana, the Honorable RAY MADDEN, and my distinguished colleague from Wisconsin, the Honorable HENRY REUSS, concur in this position.

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

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

CONFERENCE REPORT ON H.R. 8644, SUSPENSION OF DUTY ON CRUDE CHICORY ROOTS—AID TO FAMILIES WITH DEPENDENT CHILDREN

Mr. BOGGS. Mr. Speaker, I call up the conference report on the bill (H.R. 8644) to make permanent the existing temporary suspension of duty on crude chicory roots, and ask unanimous con-

sent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

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

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of June 26, 1969.)

Mr. BOGGS. Mr. Speaker, I shall try briefly to explain the conference report.

I will start by saying the conference report is unanimous. It was signed by all of the conferees on the part of the House on both sides of the aisle and all of the conferees from the other body from both sides of the aisle.

Mr. Speaker, the other body made no change in the text of the original House bill, but it did add two social security amendments, which are involved in the conference report.

These two amendments to the original bill are not complex and can be easily explained.

One amendment provides for the extension of a provision which we wrote into law some years ago—June 30, 1961, to be precise—in an attempt to help indigent American citizens who, through no fault of their own, were forced to return to the United States because of war, illness, destitution, and so forth. The best example of that happens to be Cuba where about 70 people a month, mostly old people, come back to our country and Mr. Castro has well taken care of whatever worldly goods they had. That provision of law has been continued on a temporary basis since its original enactment. This conference agreement provides for the continuation of that program so that when such persons land at a dock somewhere in the United States, the Government of our country takes care of them until they are able to take care of themselves. Then they repay this obligation to the Government. That is the first amendment. We continue that program for 2 years.

The second amendment has to do with the so-called freeze on Federal matching with respect to the number of children who are eligible for assistance under aid to dependent children programs. The Senate repealed the provision on this subject, which was included in the Social Security Amendments of 1967.

The House conferees concurred and agreed in the Senate amendments. They did so unanimously because the Governors of every State, I think, whether they be Democrats or Republicans, were terribly concerned about this provision and the administration was terribly concerned about it. We received a letter from Secretary Finch just a week or so ago strongly supporting the repeal of this provision. The provision was originally enacted in an effort to stimulate activities and obtain results under the work incentive program which was also contained in the 1967 amendments. It has not accomplished that purpose.

It was the feeling of the conferees that the way to dispose of this matter was to repeal the freeze provision. That is what the amendment does.

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

Mr. BOGGS. I yield to the gentleman.

Mr. GROSS. What is the cost of this supplemental bill? Or are we dealing with the supplemental?

Mr. BOGGS. No, not at all.

Mr. GROSS. Then we are dealing only with the aid to dependent children?

Mr. BOGGS. That is correct; we are repealing the so-called AFDC freeze.

Mr. GROSS. That is the issue that was raised by the gentleman from California (Mr. BURTON)?

Mr. BOGGS. This issue has been made by many Members of the House including the gentleman from California. As a matter of fact in the last week or so every time I walked down the aisle here somebody asked me about it, and on your side of the aisle as well. I admit the gentleman from California was very forceful in bringing the issue up several days ago and he has been very, very anxious for this result to come about.

But this result could not have come about if it had not been for the complete cooperation of Members on your side of the aisle, and particularly the ranking member of the Committee on Ways and Means the gentleman from Wisconsin (Mr. BYRNES), who was very helpful.

Mr. GROSS. Yes, I do know that there is forceful interest in this, since it is coming up under such short notice and in advance, not after the issue of whether or not to continue the surtax on Monday. It is real interesting that this "AFDC unfreezing" is coming up so suddenly and at what appears to be a propitious time in connection with the drive to pass the surtax.

Mr. BOGGS. May I say to the gentleman that we have exactly the same situation here. There is an expiration date of June 30, which happens to be next Monday. So the same problem exists

Mr. BURTON of California. Mr. Speaker, will the gentleman yield?

Mr. BOGGS. I yield to the gentleman from California.

Mr. BURTON of California. Mr. Speaker, it is with pleasure and approval that I support the conference committee report before us to eliminate the AFDC freeze.

It is impossible to do justice to all those who contributed to this significant effort. Tens of thousands of concerned citizens called upon their Government to respond to the pressing needs of its children and today's action was the result.

I should, however, like to particularly commend our able and effective majority whip, HALE BOGGS, for his decisive leadership in removing this sword of Damocles from over the heads of the poor and most needy children in America.

It was the united effort of California's able members on the Ways and Means Committee, JAMES CORMAN and JAMES UTT, and the leadership of the dean of the California delegation, CHET HOLIFIELD, speaking in behalf of a united delegation which insured its viewpoint was presented effectively. This victory represents a savings of some $40 million in the next fiscal year to the State of California.

I should also like to commend Health, Education, and Welfare Secretary, Robert Finch, for his support of the repeal of the AFDC freeze and John Veneman, the outstanding Under Secretary of Health, Education, and Welfare, for his leadership in the removal of this unrealistic ceiling.

The AFL–CIO, as well as auto, teamster, longshore, and other independent unions have, over the years, lent valuable support to this effort.

Last, but certainly not least, very special mention and tribute must be paid to Dr. George A. Wiley and the National Welfare Rights Organization, of which he is executive director. They have by their continuous effort alerted the poor of this Nation to their rights under existing laws and to the ominous problems which this freeze would impose. Without their decisive contribution, it is most unlikely that today's action would have been possible.

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

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

Mr. WILLIAMS. Mr. Speaker, I would like to state to this House that we proposed a freeze on AFDC payments back in 1967, I believe, for a very, very good reason. The fact is that AFDC payments are actually accentuating the very problems they are supposed to solve.

During the last 2 years I have visited neighborhoods where most of the families are receiving aid-to-dependent-children payments. These families have no father present. These children are actually being raised in filth, squalor, and neglect.

Aid-to-dependent-children payments have doubled in the last 4 years mainly because of an increase in illegitimacy. Of course the Governors are concerned about this freeze, because the Governors that you speak of have not faced up to their responsibilities and have simply permitted more and more people to go on the welfare rolls every year, and many of these people are receiving AFDC payments.

In the State of Pennsylvania alone, where employment is at an alltime high and where various companies and industries have trouble employing people, the welfare rolls have increased by 144,000 persons just during the last year. There are many cases where death and injury have occurred to some very young children who are being supported by the aid-to-dependent-children program. Where these children have been left alone at the age of 1, 2, and 3, fires and other things have occurred. And these youngsters have been killed or injured.

In my opinion, since we are going to permit the AFDC payments to escalate each year, we are simply going to make it possible to avoid facing up to the problem that this program is not working. I thank the gentleman for yielding.

Mr. BOGGS. Mr. Speaker, I yield to the gentleman from California (Mr. UTT), a member of the committee.

Mr. UTT. Mr. Speaker, I rise in support of the amendment placed on this bill by the Senate. I favored the freeze in the first place, but we did not have sufficient information before us to know what effect it would have. The com-

plaints that the gentleman from Pennsylvania has just made are generally in regard to administration. I am sure we are going to have a tightening up of administration nationally as well as in the States.

I talked yesterday with our administrator in California and he said:

I assure you we are going to tighten up on any of the aid to families with dependent children.

I urge adoption of the conference report.

Mr. BURKE of Massachusetts. Mr. Speaker, it gives me a great deal of satisfaction to vote for this conference report which provides for the repeal of the AFDC freeze that was enacted over my objection in the Social Security Amendments of 1967.

I opposed this provision vehemently in committee when it was being formulated. When the social security bill was up for a vote in the House in August 1967, I voted in favor of it with a great deal of reluctance because it included this provision, but at that time, I cast my vote in favor of the bill because of the many beneficial provisions it contained and in the hope that when the bill came back from the Senate and the conference committee the freeze provision would have been eliminated. When the bill did come back to the floor of the House from the conference, the freeze was still a part of the legislation, and it was primarily for that reason that I cast one of the three votes that were cast in opposition to the conference report in December of 1967.

I support the repeal of the freeze for two reasons. First of all, I think it is unfair to the States to shift the cost of paying a tremendous portion of the AFDC program upon them when the increased cost of those porgrams results from factors which are largely beyond the control of the States.

Second, I believe that the AFDC freeze could not help but work a hardship upon all of the AFDC recipients of the country. The AFDC freeze provision was aimed primarily at only one segment of the AFDC caseload. By its own terms, it would have operated whenever there was an increase in the proportion of children in any State who are drawing benefits by reason of the fact that they had been abandoned by their fathers. Yet, under the general provisions of the Social Security Act, all of the families, including those in which the fathers were dead, disabled, or unemployed, would have felt the effects of the freeze. The States would have had no choice in this matter since the law provides that the programs be administered uniformly with regard to all recipients.

It is clear, Mr. Speaker, that if the freeze provision had been allowed to become operative next Tuesday, most States would have been required ultimately to have reduced benefits payments for all recipients and probably on top of that, to increase their eligibility standards thereby making it more difficult for individuals to qualify for assistance under the program.

For these reasons, Mr. Speaker, I will very happily vote in favor of the conference report.

Mr. STOKES. Mr. Speaker, I rise in support of the conference report.

There is no doubt in my mind that the AFDC freeze should be repealed as provided in the conference report. If the freeze provision were allowed to go into operation on July 1, not only would the State and local governments have to assume the burden of paying for 100 percent of the benefits received by individuals on the AFDC rolls in excess of the limitations laid down in the freeze, but also the AFDC recipients on the rolls in most States would have suffered unconscionable hardship. According to the budget for this fiscal year, the freeze provision would have required the States to assume obligations normally the responsibility of the Federal Government in the amount of $322 million.

Most States would undoubtedly have been forced to lower their benefit payments for all AFDC recipients in an effort to finance their programs within available resources. I would like to emphasize that the effects of the freeze would have been felt by all recipients on the AFDC rolls, regardless of the reason for their being there.

As indicated by the statement of the gentleman from Louisiana who is managing the conference report, it is obvious beyond doubt that the freeze position, in addition to being unjust in principle, has proven to be ineffectual in application. I, therefore, believe that this House is to be commended for recognizing when it has made a mistake and taking the proper steps to undo its mistakes. This is clearly what we are doing today in voting to repeal the AFDC freeze.

Mr. RODINO. Mr. Speaker, I am most gratified that the House votes today on the conference report on H.R. 8644 which would repeal the AFDC freeze that otherwise would go into effect on July 1 under existing law.

In my judgment, the freeze proposal was, from the time it was first enacted, a most unwise, unrealistic, and inhumane approach to solving the serious problem of rising welfare costs and inequities existing in our welfare system. In this connection, I would like to have included in the RECORD an excellent editorial from the June 26 issue of the Newark Evening News commenting on the situation created by the freeze in New Jersey and on a recent court decision upholding it. The editorial concludes:

National inequities on the welfare program still cry for correction in a thorough overhaul which would shift all welfare costs to the federal government.

I most strongly agree with this assessment of the problem and will continue to work for legislation along these lines.

The full text of the editorial follows:

RIGHTING A WRONG

Refusal of a federal court in Newark to upset the freeze on federal participation in the Aid to Dependent Children program leaves this necessary action to Congress, which was responsible for the action in the first place. And with the restriction scheduled to take effect next Tuesday, Congress has little time to respond.

The court is understandably reluctant to interfere with an act of public safety, short of evidence of unequal application, other discrimination or denial of due process. The court held none of these objections applies to Congress' determining that coverage must be held to a fixed percentage of children in a state, regardless of how fast the number of individual cases grows.

This need not mean closing the door to additional clients or paying them less than others, the court argued, for the state and counties could make up the additional cost—or, bleak alternative in an era of runaway prices, cut back every recipient. And there lies the difficulty, for Gov. Hughes has estimated that even to maintain present levels would cost New Jersey taxpayers an additional $10.2 million a year.

The Senate voted last week to eliminate the freeze, and sent the measure to conference with the House. The House should concur promptly. National inequities on the welfare program still cry for correction in a thorough overhaul which would shift all welfare costs to the federal government. Congress should be moving in that direction, and not toward foisting more of the burden on the states.

Mr. DONOHUE. Mr. Speaker, as one of the many sponsors of legislation—H.R. 4576—in this Congress to repeal the existing provisions in the social security law limiting the number of children with respect to whom Federal payments may be made under the program of aid to families wtih dependent children, I most earnestly urge and hope that this House will promptly and overwhelmingly approve the conference report before us, which will accomplish the objective outlined above.

When this so-called freeze or limiting amendment was included in the Social Security Act amendments by our legislative action here back in early 1968, many of us advocated against it and recorded ourselves in opposition, because we very deeply believed, despite the sincerity of its proponents, that the practical effect of such legislative action would prove to be unjust in its projection and uneconomical in its operation. That our doubts and fears about the wholesomeness and efficacy of this legislative proposal were well grounded is indicated by the fact that many of the leading proponents of this particular amendment have, most creditably, upon further research and study, come to agreement with those of us who originally protested against the amendment's merit.

In essence, we believe it is convincingly clear that this freeze proposal, if applied, would inevitably visit extreme hardship and deprivation upon great numbers of innocent and blameless children by forcing mothers into work-training programs, inducing unemployed or low-earning fathers to abandon children, setting up a very doubtfully effective and most uneconomical work-training program, and imposing unjustifiably larger tax burdens—in my own State, some $5 million—upon the citizens in our various States.

On the economic side, while the work training involved is for low-level jobs, the program is high cost, principally because a mother cannot be required to work or train unless child care facilities are provided. Budget figures show that average per-child day care costs are about equal to the average per-child cash benefit, thereby doubling the welfare outlay for these children on the very long-shot gamble that the new capacity to fill second-rate jobs will, at some indefinite future time, reduce wel-

fare rolls and costs. To most of us, this kind of operation represents a process of reasoning that leaves much to be desired.

As against this mandatory program, wise experience and authoritative evidence indicates that a voluntary program, giving decent jobs and better income, would provide sounder motivation and more lasting improvements than a forced program clouded with compulsion and distrust.

In short, upon the most careful study and examination, the attempt to cure a serious welfare problem by restricting payment benefits to blameless children would appear to be the wrong program for the wrong individuals at the wrong time.

Surely we can and we should, at the earliest moment, in legislative wisdom, provide a better way of helping unfortunate parents and families off the welfare dole, encourage fathers to remain with their families without loss of benefits, while granting them appropriate job training through the shift of child care funds and fostering a proper mother-children relationship that is the basis of wholesome family life. Let us, right now, act to repeal this freeze amendment and speedily move toward the accomplishment of a more equitable and effective child and family assistance program that will be truly in accord with our civilized traditions and beliefs.

Mr. FARBSTEIN. Mr. Speaker, I wish to restate today my strong support for the repeal of the AFDC freeze, a proposal which was embodied in my bill, H.R. 5978, introduced in February of this year.

My regret is that Congress has been so slow in taking definitive action on the repeal. Under law the freeze is to go into effect July 1 of this year, just a few days from now. Understandably, the States have become more and more disturbed by the slowness of our response to this deadline. They stand to lose about $300 million in Federal matching funds in fiscal year 1970 if the freeze becomes effective.

My own State of New York, with its very large welfare burden, would be particularly hard hit by the freeze. Welfare analysts in my State estimate that we would lose approximately $80 million a year in Federal funds under the freeze provision. In this period of particularly high and rapidly growing welfare costs, the additional cost to the State would be almost impossible to absorb.

There is, at this time, no justification for retaining the freeze. The rationale behind its initial adoption as part of the 1967 welfare amendments was to act as a spur to the States to initiate rehabilitative programs which would move families off the AFDC rolls and into self-sufficiency. The freeze has not served this purpose. Despite the threat of a cut-off in Federal funds, the work incentive and other programs which the Congress provided in the 1967 amendments have been developed extremely slowly. This has not been the sole fault of the States. The Departments of Health, Education, and Welfare and of Labor have also moved slowly in providing the States with guidelines for programs and in the actual establishment of work and training programs to which the States could refer their welfare recipients. We cannot place a responsibility for action on the States which is not fully theirs.

I also want to note that the administration has recommended repeal of the freeze, and has taken the repeal into consideration in its 1970 budget presentation. Thus, by repeal of the freeze we are not going to place any new or unexpected financial burden on the Federal Treasury. This is an expense which has already been anticipated.

Mr. Speaker, many of us in Congress look forward to fundamental changes and improvements in our welfare system. Legislation which I have introduced would establish nationally uniform minimum standards for welfare and would provide for increased Federal matching for welfare programs. Until we have time to undertake more basic legislation, however, we must at least attempt to keep our present system functioning as adequately as possible. We must remove the financial threat to our States and to our welfare recipients which the AFDC freeze embodies. The repeal has been passed by the Senate and approved in conference. I hope we shall overwhelmingly agree to it here today.

Mr. RYAN. Mr. Speaker, I am pleased that the conference report on H.R. 8644 eliminates the freeze on aid to families with dependent children payments which was imposed as part of the Social Security Amendments of 1967.

I should like to take this opportunity to commend our colleague from California (Mr. BURTON) for the part he played in convincing the conferees of the importance of this action. His intimate knowledge of social security and welfare issues combined with his parliamentary skill were instrumental in making it possible for the conference report to be before us today with a unanimous recommendation on the part of the conferees.

This recommendation recognizes the disastrous effects which the freeze on AFDC funds would have on the lives of those citizens dependent on public assistance and on the financial resources of our large urban States. I vigorously opposed the AFDC freeze when it first came before the House in August of 1967. I pointed out that it would adversely affect the large industrial States like New York, California and Illinois, which are the recipients of migration from the rural South, which, by contrast, would lose nothing in Federal payments through this provision. When the freeze was enacted despite my objections, I joined 17 other House Democrats in urging the chairman of the Senate Finance Committee to reject the "antiwelfare" provisions of the bill passed by the House. Among the five antiwelfare provisions specified in that letter was the AFDC freeze.

When the conference report was brought before the House in December of 1967, I reaffirmed my objections to the AFDC freeze and pointed out the disastrous effects it would have on public welfare programs in urban areas. Despite my objections, and those of many other Members, the AFDC freeze was adopted by the Congress, however.

Subsequent to the enactment of this provision of the social security amendments I have introduced legislation to repeal the AFDC freeze in two Congresses—H.R. 14609 in the 90th Congress and H.R. 618 in the 91st Congress. I have additionally cosponsored H.R. 11662 with several Members which would also repeal the freeze on AFDC payments.

As I said in introducing legislation to repeal the AFDC freeze in January of 1968:

> In the absence of bold and imaginative efforts to solve the causes of poverty, welfare costs will continue to rise, unless we are willing to see people starve. It is no solution to take out the failures to deal with these problems on impoverished families and dependent children. The percentage freeze on AFDC payments is particularly unwise because it penalizes States which are the net recipients of rural migrants and it punishes children whose sole crime is to have been born of indigent or separated parents.

The effect of the freeze on New York City, as estimated by Mitchell Ginsberg, administrator of the New York City Human Resources Administration, would be between $30 and $50 million in possible Federal revenue. This year New York City budgeted $50 million to cover the loss produced if the AFDC freeze were put into effect. But severe budgetary strains have caused the city to subsequently remove this allocation from the budget.

Hence, if the AFDC freeze is instituted, the only recourse for New York—given its limited financial resources—will be to reduce the level of AFDC payments. At a time when inflation is already severely taxing the meager resources of those dependent on public assistance, a reduction in payments would cause inestimable suffering and hardship to financially deprived families.

Many individuals and organizations have worked diligently to explain the consequences of the AFDC freeze to Congress. In particular, I believe Dr. George A. Wiley and the National Welfare Rights Organization, of which Dr. Riley is executive director, deserve special mention for their efforts to make the poor of this Nation aware of their rights under existing public assistance laws and the implications of the AFDC freeze.

Mr. Speaker, I urge the House to accept the recommendation of the conference report to repeal the ill-considered freeze on AFDC payments which was enacted in 1967. To retain this provision in the face of the mounting crisis in our cities would constitute an abdication of our responsibility. Congress has to assist our urban areas in their efforts to provide decent standards of public assistance to those citizens caught in the vicious cycle of poverty which engulfs our inner city areas.

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

The previous question was ordered.

The SPEAKER pro tempore (Mr. ALBERT). The question is on the conference report.

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

Mr. WILLIAMS. 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 269, nays 65, not voting 98, as follows:

[Roll No. 95]

YEAS—269

Adair	Ford, Gerald R.	Monagan
Adams	Ford,	Moorhead
Addabbo	William D.	Morse
Albert	Foreman	Morton
Anderson,	Frelinghuysen	Mosher
Calif.	Frey	Moss
Anderson,	Friedel	Murphy, Ill.
Tenn.	Fulton, Pa.	Murphy, N.Y.
Andrews,	Fulton, Tenn.	Myers
N. Dak.	Galifianakis	Nelsen
Annunzio	Garmatz	Nix
Arends	Gaydos	Obey
Ashley	Giaimo	Olsen
Aspinall	Gilbert	O'Neill, Mass.
Ayres	Goldwater	Ottinger
Barrett	Gonzalez	Patman
Beall, Md.	Goodling	Patten
Belcher	Green, Oreg.	Pelly
Bell, Calif.	Gubser	Perkins
Bennett	Halpern	Philbin
Betts	Hamilton	Pike
Biaggi	Hammer-	Pirnie
Biester	schmidt	Poff
Blackburn	Hanley	Pollock
Blanton	Hanna	Preyer, N.C.
Boggs	Hansen, Idaho	Price, Ill.
Boland	Hansen, Wash.	Pucinski
Bolling	Harsha	Quie
Bow	Harvey	Quillen
Brademas	Hastings	Rees
Brasco	Hathaway	Reid, Ill.
Brock	Hechler, W. Va.	Reid, N.Y.
Brooks	Hogan	Reifel
Broomfield	Holifield	Reuss
Brotzman	Horton	Rhodes
Brown, Ohio	Hosmer	Riegle
Broyhill, N.C.	Howard	Robison
Buchanan	Hungate	Rodino
Burke, Mass.	Hunt	Rogers, Colo.
Burleson, Tex.	Hutchinson	Rooney, N.Y.
Burlison, Mo.	Jacobs	Rooney, Pa.
Burton, Calif.	Jarman	Rosenthal
Burton, Utah	Johnson, Calif.	Roth
Bush	Johnson, Pa.	Roudebush
Button	Jonas	Roybal
Byrnes, Wis.	Jones, Ala.	Ryan
Cabell	Karth	St Germain
Camp	Kastenmeier	St. Onge
Carter	Kazen	Sandman
Cederberg	Keith	Saylor
Chamberlain	King	Schadeberg
Chisholm	Kleppe	Schneebeli
Clawson, Del	Koch	Schwengel
Clay	Kuykendall	Sebelius
Cleveland	Kyl	Shipley
Collins	Kyros	Shriver
Conte	Langen	Sisk
Conyers	Lipscomb	Skubitz
Corbett	Lloyd	Slack
Corman	Long, Md.	Smith, Calif.
Coughlin	McCarthy	Smith, Iowa
Culver	McClory	Springer
Cunningham	McCloskey	Stafford
Davis, Ga.	McCulloch	Staggers
de la Garza	McDade	Steed
Dellenback	McDonald,	Stokes
Dennis	Mich.	Stratton
Dent	McFall	Sullivan
Diggs	McKneally	Symington
Dingell	Macdonald,	Taft
Donohue	Mass.	Talcott
Downing	MacGregor	Teague, Calif.
Dulski	Madden	Thompson, Ga.
Duncan	Mailliard	Thomson, Wis.
Dwyer	Marsh	Tiernan
Eckhardt	Matsunaga	Udall
Edwards, Ala.	May	Utt
Edwards, Calif.	Mayne	Van Deerlin
Eilberg	Meeds	Vander Jagt
Erlenborn	Melcher	Vanik
Esch	Michel	Vigorito
Eshleman	Mikva	Waldie
Fallon	Miller, Calif.	Wampler
Farbstein	Mills	Watts
Fascell	Minish	Weicker
Feighan	Mink	White
Findley	Minshall	Whitehurst
Flood	Mize	Widnall
Foley	Mollohan	Wilson, Bob
Winn	Wylie	Young
Wold	Yates	Zablocki
Wyatt	Yatron	Zwach

NAYS—65

Abbitt	Gross	Poage
Abernethy	Hagan	Price, Tex.
Alexander	Haley	Randall
Andrews, Ala.	Hall	Rarick
Baring	Henderson	Rivers
Bevill	Hull	Roberts
Bray	Ichord	Rogers, Fla.
Brinkley	Jones, N.C.	Ruth
Burke, Fla.	Jones, Tenn.	Satterfield
Caffery	Landgrebe	Scherle
Colmer	Landrum	Scott
Cramer	Mahon	Sikes
Daniel, Va.	Mann	Steiger, Ariz.
Devine	Martin	Stephens
Dowdy	Miller, Ohio	Stubblefield
Fisher	Mizell	Stuckey
Flowers	Natcher	Taylor
Flynt	Nichols	Teague, Tex.
Fountain	O'Konski	Watson
Fuqua	O'Neal, Ga.	Whitten
Gettys	Passman	Williams
Griffin	Pickle	

NOT VOTING—98

Anderson, Ill.	Evins, Tenn.	Nedzi
Ashbrook	Fish	O'Hara
Berry	Fraser	Pepper
Bingham	Gallagher	Pettis
Blatnik	Gibbons	Podell
Brown, Calif.	Gray	Powell
Brown, Mich.	Green, Pa.	Pryor, Ark.
Broyhill, Va.	Griffiths	Purcell
Byrne, Pa.	Grover	Railsback
Cahill	Gude	Ronan
Carey	Hawkins	Rostenkowski
Casey	Hays	Ruppe
Celler	Hébert	Scheuer
Chappell	Heckler, Mass.	Smith, N.Y.
Clancy	Helstoski	Snyder
Clark	Hicks	Stanton
Clausen,	Joelson	Steiger, Wis.
Don H.	Kee	Thompson, N.J.
Cohelan	Kirwan	Tunney
Collier	Kluczynski	Ullman
Conable	Latta	Waggonner
Cowger	Leggett	Watkins
Daddario	Lennon	Whalen
Daniels, N.J.	Long, La.	Whalley
Davis, Wis.	Lowenstein	Wiggins
Dawson	Lujan	Wilson,
Delaney	Lukens	Charles H.
Denney	McClure	Wolff
Derwinski	McEwen	Wright
Dickinson	McMillan	Wydler
Dorn	Mathias	Wyman
Edmondson	Meskill	Zion
Edwards, La.	Montgomery	
Evans, Colo.	Morgan	

So the conference report was agreed to.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Anderson of Illinois.
Mr. Waggonner with Mr. Ashbrook.
Mr. Ullman with Mr. Latta.
Mr. Delaney with Mr. Cahill.
Mr. Hicks with Mr. Stanton.
Mr. Pepper with Mr. Pettis.
Mr. Thompson of New Jersey with Mr. Meskill.
Mr. Dorn with Mr. Davis of Wisconsin.
Mr. Tunney with Mr. Conable.
Mr. Fraser with Mr. Railsback.
Mr. Hays with Mr. Clancy.
Mr. Edwards of Louisiana with Mr. Snyder.
Mr. Lennon with Mr. Berry.
Mr. Daniels of New Jersey with Mr. Steiger of Wisconsin.
Mr. Edmondson with Mr. Denney.
Mr. Brown of California with Mr. Ruppe.
Mr. Pryor of Arkansas with Mr. Lujan.
Mr. Long of Louisiana with Mr. Dickerson.
Mr. McMillan with Mr. Broyhill of Virginia.
Mr. Kirwan with Mr. Lukens.
Mr. Podell with Mr. Grover.
Mr. Carey with Mr. Fish.
Mr. Gallagher with Mr. Brown of Michigan.
Mr. Daddario with Mr. McClure.
Mr. Lowenstein with Mr. Smith of New York.
Mr. Rostenkowski with Mr. Collier.
Mr. Scheuer with Mr. Whalen.
Mr. Morgan with Mr. Gude.
Mr. Celler with Mr. McEwen.
Mr. Casey with Mr. Cowger.
Mr. Blatnik with Mr. Watkins.
Mr. Evins of Tennessee with Mr. Don H. Clausen.
Mr. O'Hara with Mr. Whalley.
Mr. Evans of Colorado with Mr. Derwinski.
Mr. Charles H. Wilson with Mr. Mathias.
Mr. Leggett with Mr. Wydler.
Mr. Kluczynski with Mr. Zion.
Mr. Clark with Mr. Wyman.
Mr. Cohelan with Mr. Dawson.
Mr. Gray with Mr. Gibbons.
Mr. Green of Pennsylvania with Mr. Hechler of West Virginia.
Mr. Bingham with Mr. Hawkins.
Mr. Helstoski with Mr. Powell.
Mr. Ronan with Mr. Purcell.
Mr. Joelson with Mr. Montgomery.
Mrs. Griffiths with Mr. Nedzi.
Mr. Wright with Mr. Byrne of Pennsylvania.
Mr. Chappell with Mr. Kee.

Mr. FISHER and Mr. FUQUA changed their votes, from "yea" to "nay."

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. BURKE of Massachusetts. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the conference report on H.R. 8644 just agreed to.

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

There was no objection.

Mr. BURKE of Massachusetts. Mr. Speaker, I further request unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the resolution (H. Res. 455) previously agreed to.

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

There was no objection.

TO AMEND THE ACT OF NOVEMBER 8, 1966

Mr. KASTENMEIER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 4297) to amend the act of November 8, 1966, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 9, strike out "$850,000"." and insert "$850,000", " and adding at the end thereof a new sentence as follows: "Authority is hereby granted for appropriated money to remain available until expended." "

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

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

LEGISLATIVE PROGRAM

(Mr. ARENDS asked and was given permission to address the House for 1 minute.)

Mr. ARENDS. Mr. Speaker, I take this time in order to ask the distinguished majority leader to advise us as to the program for next week.

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

Mr. ARENDS. I yield to the gentleman from Oklahoma.

Mr. ALBERT. In response to the inquiry of the distinguished gentleman from Illinois, Mr. Speaker, we are listing for Monday and the balance of the week:

H.R. 12290, to temporarily continue the income tax surcharge and certain excise taxes and to repeal investment credit, and for other purposes, under a closed rule with 4 hours of debate waiving points of order; and

H.R. 11400, the second supplemental appropriation bill for fiscal year 1969—the conference report.

There will also be called up by the gentleman from Maryland (Mr. FRIEDEL) miscellaneous printing resolutions from the Committee on House Administration. In addition to that, Tuesday is Private Calendar day and the Private Calendar will be called. We also hope to adopt the concurrent adjournment resolution sometime on Monday or Tuesday. I note, of course, that the Independence Day recess starts at the close of business Wednesday, July 2, and the House reconvenes on Monday, July 7.

This announcement is made subject to the usual reservation that conference reports may be brought up at any time and any further program may be announced later.

ADJOURNMENT OVER TO MONDAY, JUNE 30

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

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

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday of next week, July 2, 1969, be dispensed with.

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

There was no objection.

Mr. ARENDS. Mr. Speaker, I ask the gentleman, is it possible to go through the first two bills and could they both be called up on Monday? Is it possible?

Mr. ALBERT. It is possible. I doubt that it is probable, I will say to the gentleman, because of the 4-hour debate on the tax bill, but we do hope to finish the legislative business on Tuesday. We have two very important bills next week; if we can finish them by Tuesday, Members can do their office work on Wednesday and be free to leave as soon as the adjournment resolution is adopted.

Mr. ARENDS. I thank the gentleman. That is what I thought.

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

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that notwithstanding the adjournment of the House until Monday next 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.

LIFE IS FUN, FUN, FUN FOR THE YOUNG

(Mr. HUNGATE asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. HUNGATE. Mr. Speaker, I would like to call to the attention of the House an article from the University of Kentucky Notes for the Veterinary Practitioner, April 1, 1968, which seems particularly timely:

While the FCC is berating television for its cigarette commercials, we wish it would look into another aspect of TV ads aimed not at corrupting the youth, but at demoralizing the adult. In TV commercials, nothing good happens to anyone past the age of discretion. Life seems to end at age 25.

Watch the people in these ads for awhile. Teenagers invariably have great glistening teeth. Adults have dentures and denture breath. Boys switch hair grease and girls are glad. Men don't have hair. If they do, it is full of dandruff. Boys douse themselves with shaving lotion and wait to beat off the women, like traps full of cheese. Older men are happy to find something that drains all eight sinuses.

Young people have fun. Older people have nagging headaches. Young people spend all night wolfing hamburgers at amusement parks or beach parties. Older people go to a nearby movie and have to leave because their stomach is killing them. Girls have yards of blonde hair full of body, and boys nuzzle it. Wives have gray hair and their husbands won't take them dancing.

Men work hard and get ahead, only to have some pimply assistant tell them they have bad breath. The teen-age wife makes a cup of coffee and turns her husband into a sex maniac. The older wife washes, irons, mops floors, and puts up with birds on the sink, and her husband comes home with a miserable headache and takes it out on her. Girls are always washing their hair. Wives are always washing dishes.

Teen-agers wear sneakers and sandals. Adults wear support hose. Teen-agers rub each other with suntan oil. Adults rub each other with liniment. Teen-agers spend a lot of time in boats, sports cars, and swimming pools. Adults spend their time in doctors' offices and listening to tedious insurance peddlers. Adults get hay fever and sneeze. Young people are always at the end of a glorious evening. Adults are always at the end of their rope.

Life is fun, fun, fun for the young. They can laugh even with their mouths full of hair. About the only happy time for an adult is when he has an accident and the insurance company pays off. It isn't fair.

Worse, we have a feeling that it's all too true.

THE CREDIBILITY CHASM: NEW ADMINISTRATION MOVES NEAR THE BRINK

(Mr. VAN DEERLIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. VAN DEERLIN. Mr. Speaker, when my longtime and respected friend, Herb Klein, took office as President Nixon's communications director, he made himself responsible for keeping open the channels of truthful information to the American public.

As of this morning, Mr. Klein seems faced with his first serious challenge.

Late editions of yesterday's Los Angeles Times quoted HEW Secretary Robert Finch as saying he would resign if denied the appointment of Dr. John H. Knowles as Assistant Secretary for Health and Scientific Affairs.

Later in the day, both the White House press secretary and Secretary Finch himself flatly denied that published report. Their denials are carried widely in this morning's newspapers.

The Times, though, has a different story, one of intrigue and purported behind-the-scenes wheeling and dealing over the proposed nomination of Dr. Knowles.

In fact, there seems to be some suspicion that Dr. Knowles—and the objections to his appointment from some of the mossier elements of the American Medical Association—are being used to trade for votes on the administration's surtax extension bill.

I continue to have full confidence in the Los Angeles Times. The coverage of the Knowles case is the kind of responsible, enterprise reporting we have come to expect from the Times and, in particular, from Tom Foley, the reporter who broke the story of Secretary Finch's threat to resign.

At this point, I will include two articles from this morning's Los Angeles Times dealing with the Knowles situation:

THE KNOWLES CASE: NIXON'S DOMESTIC POLICIES AT STAKE

(By Robert J. Donovan)

WASHINGTON.—Robert H. Finch's agony over the Knowles case raised serious questions Thursday not only about the influence and political future of the secretary of health, education and welfare but over the direction of the Administration's domestic policy.

The essential question is whether Finch's victory or defeat in this case, which will be decided today or Saturday, will foreshadow a progressive or conservative course in civil rights, welfare and other major fields.

The immediate issue is whether Dr. John H. Knowles, a liberal favored by Finch but opposed by the American Medical Assn. and its conservative allies in Congress, is to be nominated by President Nixon as Finch's chief assistant in the health field.

The President and his associates, who pride themselves on adminstrative efficiency, have made a monstrosity out of the handling of this matter. Washington has not seen a worse mishmash of its kind in years.

DIFFICULTY IN DECIDING

At the very least—and not for the first time either—it has portrayed the Nixon Administration as having great difficulty making up its mind on a tough issue.

Beyond that, however, the showdown, in which the President took a direct hand Thursday, harbors deeper implications. Since Finch has become preeminently the symbol of the moderate, progressive elements in the Administration, for example, would his defeat signify that the conservatives in the White House and in Congress have got the upper hand with the President?

Already an outcry has been raised by liberals—and even some conservatives—against the Administration's first civil rights program—a proposal outlined to Congress Thursday by Atty. Gen. John N. Mitchell. It would replace the soon-to-expire 1965 Voting Rights Act, which Negroes regard as an important symbol, with a new law to ban literacy tests for voting everywhere in the country.

Furthermore the Administration appears to be on the brink of a new policy giving some racially segregated school districts in the South more time to desegregate.

All of this, let alone the possibility of a conservative being chosen instead of Dr. Knowles as assistant secretary for health and scientific matters in HEW, adds up to welcome news for Southern conservatives. This is the case despite the fact that the Administration will argue strongly that its voting bill and school guidelines are not regressive but are designed to meet changing conditions.

FOLLOWING SOUTHERN STRATEGY?

Still, especially now that the Knowles case is in the headlines from coast to coast, the question is being asked here whether the President may not be following a so-called Southern strategy.

There was speculation on Capitol Hill Thursday, for example, that Mr. Nixon might be trying to talk Finch out of the Knowles nomination in exchange for Republican and conservative Southern votes in the tight fight over extension of the 10% income tax surcharge.

Whatever strategy finally emerges, the President has put Finch through an ordeal on the Knowles case.

As far back as January Finch tapped the Massachusetts physician to be chief operating officer for extensive medical programs, including Medicare and Medicaid.

Congressional allies of the AMA swung into opposition to Knowles behind the leadership of Sen. Everett M. Dirksen (R.-Ill.), Senate minority leader.

After five months of tugging and hauling, Finch seemed to have won his fight. At his televised press conference last week the President said he would support whomever Finch recommended.

Then on Tuesday, Finch said that "a letter is going to the White House with a recommendation" and Dirksen as much as conceded defeat.

Evidently, however, enormous hidden pressure continued to be applied to Mr. Nixon presumably by senators and representatives who received campaign contributions from the AMA. The medical association is one of the largest contributors to House and Senate candidates.

In any case, just when Mr. Nixon was expected to nominate Knowles, word leaked from Capitol Hill Wednesday night that he had changed his mind.

On Thursday instead of sending up the nomination the President sat down with Finch and discussed several possible candidates for the post, of whom Knowles was only one. This was either some kind of unfathomable window-dressing or else a severe setback to Knowles' chances and, if this is the way it works out, to Finch's influence and prestige.

Finch, who resigned as lieutenant governor of California last January to come to Washington, knew he was taking a big gamble with his political future by heading HEW when he could have had any one of several other important posts.

He was aware that HEW would be the cockpit of bitter fights over civil rights, school desegregation, medical care and welfare.

Finch is politically ambitious. While he knew that HEW might prove a political graveyard for him he calculated that he could win his fights, or enough of them anyway, and emerge with an even greater reputation than he had when he entered.

From the outset he became, in many eyes, the star of the Administration, its most publicized and glamorous figure.

Now, however, he has run up against the buzz-saw of conservative Republican power in this city, and the outcome of his gamble is at stake.

The changing of the school desegregation guidelines, which is expected to be proposed either today or early next week, will not enhance his reputation among the liberals, in all probability. If in addition he should feel forced to surrender on Knowles, his standing here would be diminished politically. It would suggest among other things that his influence with the President is somewhat less than has been pictured.

Indeed the Knowles case seems to have become a symbol of its own—a symbol of the conservatives' influence with the President. This may be why Mr. Nixon has found it necessary to put the star of his Administration and a loyal friend of long standing through an ordeal that is not just uncomfortable but may be politically damaging to Finch in the end.

FINCH BATTLE WITH PRESIDENT ON KNOWLES CASE NEARING CLIMAX

WASHINGTON.—A tug of war between President Nixon and his longtime political ally, Welfare Secretary Robert H. Finch, over the appointment of an assistant secretary for health neared a climax Thursday after a 45-minute Nixon-Finch White House conference.

Only one thing seemed clear, however, at the end of a day of confusing and often conflicting statements: Finch's choice of Dr. John H. Knowles of Boston for the job was as much in doubt as it has been anytime in the five-month history of the controversy.

White House Press Secretary Ronald Ziegler said no final decision had been reached but indicated the nomination of someone would be announced today or Saturday.

Late Thursday, Finch authorized his press office to say the Health, Education and Welfare Department would issue a statement today on the matter. A spokesman did not say what the statement would be about—except that it would not reveal who would get the appointment.

The only hint of the outcome came from Sen. Charles F. Goodell (R-N.Y.), a Knowles supporter, who told newsmen in mid-afternoon Thursday that he was confident Finch would recommend Knowles and that the announcement would be made today. Goodell's prediction was made after he talked with top HEW officials but before Finch returned to his department after the White House conference.

At a White House briefing for newsmen Ziegler denied that Finch had threatened to resign if the President did not support his recommendation of Knowles, 43-year-old head of Boston's Massachusetts General Hospital, for the HEW post. The Times quoted Finch Thursday as saying the President would "have to find another secretary" if he did not name Knowles and The Times stands on the accuracy of its report.

Finch chose Knowles for the job last Jan. 15. Knowles immediately ran into heavy but largely behind-the-scenes fire from the American Medical Assn. and Senate Minority Leader Everett M. Dirksen (R-Ill.).

The basis of the AMA objections to Knowles appear to be varied. The only public statement was made April 23 by the AMA President Dr. Dwight L. Wilbur, who said the association favored the appointment of someone who would represent "the broadest scope of meidcine and would not be too closely oriented to any one segment of medicine or the health field."

Knowles, a physician, has been primarily a hospital administrator and it was his well-recognized success in this regard at the huge Boston medical complex that first attracted him to Finch.

The AMA opposition is also believed to stem from other factors. Knowles has been an outspoken advocate of prepaid medical insurance for all Americans, an issue that has been anathema to the AMA for decades.

WANTS VOICE

Furthermore the association is said to have felt that in return for its substantial support for Republican office holders, particularly in the House, it should have a voice in the selection of the assistant HEW secretary who would be running the increasingly important federal health programs.

During the months of struggle, while the AMA's fight was being led by Dirksen, White House officials refused to acknowledge that Finch had reached a final decision in favor of Knowles—and Finch continued to insist he had not changed his mind.

There was little question that the Senate would confirm Knowles if the President submitted the nomination. Knowles has had the open and enthusiastic backing of Senate Majority Whip Edward M. Kennedy (D-Mass.) and Sen. Edward W. Brooke (R-Mass.).

However, Finch was said to be concerned that proposing Knowles in the face of Dirksen's opposition might endanger other HEW programs. He also wanted to avoid an open party scrap.

FINCH RESPONSIBILITY

At his news conference last week Mr. Nixon was asked whether he supported his HEW secretary, Finch, or his Senate leader Dirksen. He replied that Finch has the responsibility for selecting his assistant secretaries and that "when he makes a recommendation . . . I will support that recommendation." Furthermore he said Finch would make the recommendation this week.

Finch visited Dirksen briefly Tuesday at the Capitol on another matter and told newsmen later that he had written a letter to the White House with his recommendation, although saying he was not sure the letter "has actually left my office yet."

Through it all there was never any question that Knowles was Finch's man. Thus Finch expressed surprise when he was informed by Times reporter Thomas J. Foley early Thursday morning that Mr. Nixon was being quoted by senators and congerssmen as saying Knowles was out.

KNEW NOTHING

Finch, who had been in New York during the day, said he knew nothing of any change and that neither the President nor any other White House official had called him about it. Finch said he would like to make some phone calls and would call the reporter back.

He did so and told Foley he had not been able either to confirm or deny that the President had decided not to back Knowles. But he said he had no reason to believe the post would go to anyone other than Knowles.

During the telephone conversation Finch was asked what a repudiation now—after Mr. Nixon's televised news conference support would mean to him.

"Well, he'd have to find another secretary," Finch replied.

SON LISTENING

After the telephone conversation, Foley discovered that his 19-year-old son, who had become intrigued by the story his father was reporting, had been listening to the conver-

sation on an extension in another part of the house.

Finch went to the White House early Thursday morning for a series of meetings but first authorized the HEW press office to issue a statement saying a number of names had been discussed with the White House and that Finch "has indicated his preference for assistant secretary for health and scientific affairs. The selection is now up to the White House."

A few minutes later, however, Ziegler told newsmen several times at his regular morning briefing that "no final recommendation had been made. Asked if the White House had received the Finch letter, Ziegler said there had been no formal recommendation.

A 45-MINUTE TALK

At his afternoon briefing Ziegler told newsmen the President and Finch had talked for about 45 minutes and that "several names were discussed" but that no final decision had been made. He said he was confident it would be made before the end of the week.

Ziegler was asked about the HEW statement that a letter with Finch's recommendation had gone to the White House. Ziegler replied, "This matter is not being handled in a letter manner." He said it was being handled in conference between the President and Finch.

"VERY ACCURATE"

Next Ziegler was asked about a report circulating on Capitol Hill that the nomination was being withheld pending a vote in the House on the President's request for an extension of the 10% surtax. Ziegler said he had no knowledge of any such request by lawmakers.

Asked about Foley's story on the threatened resignation, Ziegler said, "I can categorically and absolutely deny" that this is Finch's position.

When informed that Foley's son had heard the conversation, Ziegler replied, "Tom Foley of the Los Angeles Times is a very fine reporter, a very accurate reporter . . . What I'm reporting here is what I was told."

At the HEW department Finch issued a statement that "I have no intention of leaving the Administration. I regard my post as HEW secretary as a four-year commitment."

In Boston a spokesman for Knowles said the doctor would have nothing to say about the issue. Knowles has maintained a discreet public silence about the controversy swirling around him. However, he is known to be anxious to take the job and accepted the offer from Finch as soon as it was made last January.

TREATED "SHABBILY"

One congressional source close to the fight said he was concerned that Knowles "has been treated so extraordinarily shabbily" by the opposition to his appointment.

The biggest unanswered question Thursday was why the President changed his mind, if indeed he has, about supporting Finch's choice.

Some sought to tie it to the surtax fight, speculating that a certain number of additional conservative Republican votes would be obtained for the unpopular tax measure in return for dropping the Knowles appointment. However, several House Republican leaders denied any such motive.

HERE IS ONE WAY TO REDUCE POSTAL DEFICIT

(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, I am here inserting for inclusion in the RECORD a copy of an editorial from a newspaper published in my district.

It concerns the practice of Federal departments and agencies sending out one- and two-page news releases in big 8½ by 11 envelopes.

I commend the editor for publicizing this practice. I am confident that there are many, many other wasteful uses of the mail being made by Federal departments and agencies.

In an effort to start some action in this area, I am writing each Cabinet member and the heads of all major independent agencies to ask that each appoint a responsible official in their department or agency to look into their use of the mail and make recommendations as to more efficient use. I am asking that they report to me what actions they take in response to this request.

I invite all of my colleagues to join me in this effort to insist that before we increase postal rates or make other demands upon the public regarding the postal service, we insist that the Federal Government put its own house in order.

The editorial, taken from the Goldsboro, N.C., News-Argus of June 24, 1969, is as follows:

BY DURN, MAYBE WE CAN DO SOMETHING

We Americans have a built-in cushion of apathy that keeps us from going completely ape over the incomprehensibly big problems we can't do anything about—like the national debt.

But every now and then one of the little things can really get our dander up and it makes our whole day when, with a stroke of inspiration, we realize we CAN do something about it.

For months we have a couple of times a week had our day marred by getting in the mail a "news release" from some government agency.

The release would be a single page, or, perhaps two pages. But it invariably would come in a whopping 12½ by 10 inch manila envelope—and of course at government expense.

The U.S. Department of Commerce and the Internal Revenue Service are habitual in this.

Not only does the big envelope cost 10 times what a regular size envelope costs, but because of its additional weight, it falls into a 12 cents rather than six cents postage rate.

Now it seems to us that an economy-minded Congress or department heads should have lowered the boom on such obvious and easily eliminated waste long before now.

But since they haven't, through inspiration born of frustration, we have come up with a plan of persuasion:

Let's all of us in the newspaper, radio and TV field who receive these "news releases" make a deal with the government agencies. If they will send their releases in regular size envelopes whenever possible, we'll consider them. But if they send them in the whopping 12½ by 10 inch jobs, we'll file 13 them without even looking.

There are almost 10,000 newspapers in this country. Based on one weekly news release each from the IRS and the Department of Commerce to newspapers alone, the potential savings in postal costs would exceed $150,000 annually.

NEED FOR DAY CARE FACILITIES

(Mr. ST GERMAIN asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. ST GERMAIN. Mr. Speaker, on June 12 I introduced the Day Care Center Facilities Act, a bill which would authorize $55 million a year during the next 4 years to renovate and construct child-care facilities.

The need for additional facilities is of such growing magnitude that there is no question but that a federally supported national program will have to be initiated within the next few years. It is important, however, that the Congress act now before the situation becomes any more urgent.

To indicate one part of the problem in very concrete terms, I include here a column from the March 31 issue of the Washington Post:

DAY-CARE SHORTAGE HURTS JOB TRAINING

(By William Raspberry)

Don't talk to Maurice Knighton about welfare recipients not wanting to work. He knows better.

But if you want to talk about how society seems to be doing all it can to see to it that welfare recipients remain on the dole, that's something else again.

Knighton is president of the Sequential Computer Corp. at 6507 Chillum pl. nw. His firm is training 120 former welfare mothers as data transcribers under two Manpower Act programs.

The training program is a success, according to Knighton, the Labor Department and the women themselves.

But a number of women have had to leave the program because they can't find day-care facilities for their children.

"It's really a very serious problem for us," Knighton said. "I'd say that at least 85 per cent of these women are the sole support of anywhere from one to four children, mostly from newborn infants to 5 or 6 years old.

"There just isn't any adequate day-care service available to them, so they end up leaving the children with older relatives or in some cases virtually unattended.

"The result is accidents, lost time when the babysitters don't show up, full days lost sometimes when the children have to go to the clinics. Some of our women have actually moved so they could be close enough to a day-care center to get on the waiting list."

In an attempt to see what could be done about the problem, Knighton assigned his assistant, Michael Zajic (pronounced Zike), to explore the possibilities.

What Zajic found was that most of the legislation directed at training the hard-core unemployed takes note of the need for day care and often provides for payment for day-care services. But it does not provide for creating day-care facilities, and the problem is that there simply aren't nearly enough to go around—only some 3000 slots when more than 100 times that number are needed.

The Welware Department will reimburse mothers for babysitting services. The Department of Health, Education, and Welfare has some money available for upgrading established day-care centers. "But no government agency," Zajic said, "seems to have the authority, the ability and the money to establish a day-care center."

As a result, only between 6 and 7 per cent of Knighton's trainees have their children in day-care centers. The rest are being taken care of on a catch-as-catch-can basis.

It is a particular problem, he said, because most of the trainees have had almost no previous work experience and, as a result, no experience at procuring sitter services. The absence of adequate day care is the chief reason for the high turnover rate among the

trainees, Knighton said. About 20 of the first 60 enrollees have left the program.

Knighton thought he had come up with an ideal solution to the problem.

There is in the warehouse district where his officers are located a vacant restaurant that could be converted into a day-care center capable of handling up to 60 children.

In addition, next door to the restaurant is another vacant building that could be used for expanding the center. Knighton has an option on both buildings.

"We contemplated a Class A center that would meet the most stringent requirements for nutrition, health care, education, cultural experiences and the rest," he said. "We had in mind to operate on a nonprofit basis, with the mothers paying as little as $1 a week per child on a sliding scale based on income. We believe we could do it at 25 per cent less than any other Class A center in town and still provide a full-time registered nurse, trained teachers and one staffer for each five to seven children."

Knighton said he was willing to put $10,000 of the company's money into the center.

The problem is that he needs at least $25,000 to renovate the buildings as well as some operating funds. The money, as far as he can tell, simply isn't to be had.

A part of the reason is that much of the pertinent legislation simply assumes the existence of day-care facilities. Another is more philosophical: There is the rather middle-class notion that children under age 3 are better off at home with their mothers.

DR. MARK SHEDD SHOWS CALLOUS DISREGARD FOR NORTHEAST HIGH SCHOOL, PHILADELPHIA, ITS TEACHERS AND STUDENTS

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

Mr. EILBERG. Mr. Speaker, at this moment, as I address this body the schools superintendent of Philadelphia, Dr. Mark Shedd, is showing the film "High School" to members of the Philadelphia Board of Education at the school administration building in Philadelphia.

The film is a controversial representation of education at, in the words of its director-producer, "a typical white middle-class school—Northeast High School in Philadelphia." Northeast High is in my district, the Fourth, of Pennsylvania.

Inexplicably, Dr. Shedd has not objected to out-of-Philadelphia showings of the film in its 6 months of existence. But Dr. Shedd has deliberately excluded the concerned community, including myself, and the faculty and students of Northeast—the "actors" in this film—from this screening.

After comparing accounts of the film in the press with the observations of the teachers and students of Northeast, I must conclude that the film is a gross distortion which does not begin to reflect the school's fine program.

For example, year after year, 70 percent of Northeast's graduates go on to some form of higher education.

Dr. Shedd's failure to lead in the defense of the school in face of criticism in the national press raises serious questions about his ability to preside as administrator of Philadelphia's entire school system.

His failure to take the lead in decrying this film as a gross misrepresentation shows his callous disregard for the school and its teachers and students, my constituents.

The Philadelphia taxpayers have a right to complain over the school superintendent's failure to obtain rent for the use of the premises over several weeks by the film's producer, Frederick Wiseman, or pursue an interest in the film's profits.

Dr. Shedd should not have allowed the film to be made on the school premises without the consent of the actors—the faculty and students. I advise interested participants in the film to determine their legal rights against Mr. Wiseman as well as Dr. Shedd.

I think the situation in Philadelphia closely parallels recent complaints against movie producers for using Federal facilities at Fort Benning, Ga., to film "The Green Berets" and at Pearl Harbor to film "Tora! Tora! Tora!" in violation of Government regulations.

I suggest to my colleagues that Dr. Shedd's conduct in this matter is such as to raise questions as to his credibility as he appears espousing many projects before our various congressional committees.

VOTING DISCRIMINATION

(Mr. McCLORY asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. McCLORY. Mr. Speaker, the Attorney General of the United States presented a constructive and forthright statement at a meeting of the House Judiciary Subcommittee yesterday on the subject of voting rights.

In addition to calling attention to the benefits which have resulted from enactment of the Voting Rights Act of 1965 the Attorney General recommended extension of his authority so that voting discrimination can be attacked in all of the 50 States.

The precise measures which the Attorney General is recommending have not yet been introduced, and my personal attitude regarding the various proposals which he has made will depend on subsequent testimony and a careful review of the subjects to be covered.

Let me state initially that I have joined with a number of my Republican and Democratic colleagues in urging an extension of the 1965 Voting Rights Act. However, this should not be interpreted as meaning that I am satisfied that this is a complete answer to voter discrimination. Certainly this approach has relatively no effect on vote frauds, a subject which requires our earnest and prompt attention. Nor does it begin to approach other parts of the comprehensive attack which the Attorney General has proposed.

In his testimony before the House Judiciary Subcommittee, the Attorney General stated quite clearly that he was proposing amendments to the 1965 Voting Rights Act "designed to clearly strengthen and extend existing coverage in order to protect voting rights in all parts of the Nation."

In pursuit of this objective the Attorney General proposed the following:

First. A nationwide ban on literacy tests until at least January 1, 1974.

Second. A nationwide ban on State residency requirements for Presidential elections.

Third. The Attorney General is to have nationwide authority to dispatch voting examiners and observers.

Fourth. The Attorney General is to have nationwide authority to start voting rights law suits and to ask for a freeze on discriminatory voting laws.

Fifth. The President is to appoint a national voting advisory commission to study voting discriminations and other corrupt practices.

It is both unfair and inaccurate, in my opinion, to suggest that the Attorney General's recomendations are anything less than an attempt to strengthen existing coverage.

The Attorney General pointed out specifically:

> There is little statewide disparity between the percentage of eligible Negroes registered in, say, Louisiana—a state covered by the 1965 Act—or Florida which is not covered. . . . There are dozens of counties in Texas where less than half of the eligible electorate voted in 1968 but only 9 in Alabama.

The Attorney General's testimony on these subjects is entitled to the fullest and fairest consideration by the committee.

It is my firm belief that that part of the Attorney General's recommendations for the appointment of a national voting advisory commission to study discrimination and other corrupt practices should be acted upon without delay—either as a part of the extension of the Voting Rights Act of 1965 or as a separate measure, but at the same time.

As one of the sponsors of a simple extension of the Voting Rights Act of 1965, a move in which I have joined with a number of other Republican Members of this House, I have endeavored to express a strong desire to further reduce discrimination in voting on the basis of race or color. In my opinion this position is consistent with the policy of this administration as expressed both in this House and in the White House. I am confident that any differences which may appear between the Attorney General's testimony and the position of the majority of the Republicans on the House Judiciary Committee will be resolved in the weeks ahead consistent with this objective.

I direct the Members' attention to the full testimony of the Attorney General and urge that we give thoughtful consideration to the recommendations which he has made.

DR. ANDREW D. HOLT

(Mr. FULTON of Tennessee asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. FULTON of Tennessee. Mr. Speaker, in September 1970, Tennessee will lose the active services of Dr. Andrew D. Holt, when his retirement as president of the University of Tennessee becomes effective.

"Dr. Andy," as he is known to all of us in Tennessee, and to all who have had the privilege of becoming acquainted with this outstanding individual, states that he will be 65 on December 4, and that he feels the university deserves a younger president. There are many of us who will disagree with Dr. Holt on this issue.

But there are few, if any, who will disagree with the goals and objectives he set—and attained—for the University of Tennessee.

During the period of his presidency, from 1959 to the present, the University of Tennessee, both the Knoxville campus, and the medical school at Memphis, have reached major heights in both their academic standing and in their physical facilities. The University of Tennessee Martin Branch has been added; the graduate space school at Tullahoma, near the Arnold Engineering and Development Center, has been created; a branch of the University of Tennessee has been established in Nashville; and effective next year, the University of Chattanooga, formerly a private institution, will become a part of the University of Tennessee complex.

Dr. Holt attained national prominence in 1949 when, as president of the National Education Association, he played a major role in Washington in urging Congress to approve the Federal aid to education bill.

Dr. Holt's wit and humor was well known, and he was in demand, and will continue to be in demand, as a public speaker. An example of his humor is reflected in his retirement announcement which came, without advance notice, after he had reported to the university's board of trustees that UT students had rejected violence as a method of protest and deserve to be involved in processes leading to decisions affecting student life. In his retirement statement, he said:

I conclude this report with an announcement of dubious significance to the University, but of more than casual interest to me. At the end of the coming school year, I shall be retiring as President of the University. My sole motive for retirement is a cantankerous calendar and a birth certificate which stubbornly refuses to deny that on next December 4, I shall be 65 years old, UT deserves a younger President.

A new president will be found for the University of Tennessee, but there will never be a replacement for "Dr. Andy."

Fitting testimonials to Dr. Holt and his career are given in the following editorials carried in the Nashville Tennesseean and the Nashville Banner, and in an exceptionally perceptive article by Mr. Joe Hatcher, political columnist for the Nashville Tennesseean:

[From the Nashville (Tenn.) Banner, June 20, 1969]

BEST WISHES, DR. HOLT

A vast majority of Tennessee residents, because of his long years of energetic service to education in general and to the University of Tennessee which he has headed since 1959, has come to know and respect Dr. Andrew D. Holt.

His thousands of friends across the state, and the region, will feel a deep sense of regret in the announcement that Dr. Holt will retire effective Sept. 1, 1970. At the same time, those closest to the university and the proud record of growth and achievements it has attained under Dr. Holt's leadership will be happy for him.

Andy is retiring for the best of all reasons—"a cantankerous calendar and a birth certificate of disgusting integrity which stubbornly refuses to deny that on next Dec. 4 I shall be 65 years old."

Students, alumni, faculty and friends fully are aware that Dr. Holt has more than earned his announced retirement. They are reminded of this fact every time they look at the UT campus in Knoxville—which has grown into a city unto itself—and other facilities of the university in Chattanooga, Memphis, Nashville, Martin and in other areas of the state.

The assurance from Gov. Buford Ellington that Dr. Holt will play a prominent role in the selection of his successor does not minimize UT's loss. But it is comforting news that the veteran educator will remain to guarantee an orderly and successful transition.

Although Dr. Holt is stepping down officially, those who know him best expect he will never cease in his efforts to boost UT. As the No. 1 Big Orange fan, they fully anticipate he will be around on fall Saturday afternoons to root for the Volunteers. They also cannot envision a session of the legislature without Dr. Holt knocking at the door for more funds to build a bigger and better university.

The Banner joins a grateful citizenry which long will remember his devoted service in hearty congratulations to Dr. Holt. It extends to him its warmed wishes for many happy, fruitful years ahead.

[From the Nashville (Tenn.) Tennessean, June 22, 1969]

A MAN TO REMEMBER: ANDY HOLT LED UT TO NEW HEIGHTS

(By Joe Hatcher)

(NOTE.—Political columnist Joe Hatcher has been a member of the reporting staff of the Nashville Tennessean since 1921. Over the years he has had a close acquaintance with Dr. Andrew Holt, who has announced his retirement as president of the University of Tennessee next year. In this article Hatcher recalls some fond memories of Professor "Andy" Holt.)

Dr. Andrew David Holt, A.B., M.S., Ph.D., LL.D., Litt.D., D.Sc., president of the University of Tennessee (1960–70) will go down in Tennessee history as one of the great educators, who built the University of Tennessee from a relatively small state school to the rank of 22nd in the nation.

But to those who knew "Andy" Holt best through all his years, he will rank perhaps first as an educator, but right up near the top as one of the greatest politicians of an era, and certainly one of the greatest lobbyists of the mid-19th Century in the state and to a degree in the nation.

Somehow we never ranked "Andy" as a great academic scholar, nor as the purely academic, ivory-towered type of college president—but as a genius of organization, a genius of getting what he wanted from governors, legislatures, and the public.

His speeches will not go down as great literature, nor his writings as great books nor great educational gems, but his accomplishments will set standards for all who follow his as an educator, politican, college administrator, and lobbyist for education generally, for the teachers and the institution of higher learning he represented.

It was a privilege to have known Andy Holt through many years—to have know him well enough to call him "Andy" as well as formally "Dr. Holt" is his later years.

NATIVE OF MILAN

He was born and raised in Milan, less than 15 miles from the scenes of our own childhood. We did not know him in those days but we did know many whom he knew in that area of Gibson county, and to have been associated with the same folks with whom Andy grew up.

We knew him first when he was associated with the Tennessee Teachers Association, and when he paired with W. A. (Jiggs) Bass to represent the teachers, and work through those years of the great renaissance for the teaching profession.

Holt was not born with a silver spoon in his mouth. He worked for his education—firing furnaces, washing dishes, blowing a slide trombone and leading a jazz band on his way to his education at Memphis State Teachers' College, at Emory University in Atlanta, at Peabody College, and later at Columbia in New York for his graduate work.

ELEMENTARY TEACHER

He started as a teacher at Bluff Springs elementary school in Humboldt in his native Gibson county, and served as head of the demonstration school at Memphis State Teachers College. He was for seven years high school visitor and supervisor in West Tennessee, and became executive secretary of the Tennessee Teachers Association in 1937, succeeding W. A. Bass in that post.

Incidentally, he was getting his political foundations also. He had been closely allied to the Browning campaign of 1936 when he became governor, and thereby a natural to step into the TEA post during Browning's first administration.

He led the TEA to major progress under Browning in that first administration, but he was to crown his successes in 1947 when his leadership of the TEA actually brought into being the 2-cent sales tax for the first great forward leap for education. Gov. Jim McCord was generally credited in educational circles with making possible the sales tax, but actually "Andy" Holt was the "father of the sales tax." It was his mastery as a lobbyist that made the passage of the tax possible in the first place, and his lobbying genius in defending the tax through the wave of resentment that followed.

POLITICAL CRISIS

Governor McCord was to be defeated in 1948, and Andy Holt faced one of the greatest of his political crises, riding the fence between his long-time friend Gordon Browning and Governor McCord.

He was constantly on the spot in that campaign. He was quoting here as endorsing Governor McCord, and there as declaring his neutrality, and then again as defending Governor Browning's record for support of the schools.

But he was to ride that tumultuous era in politics out, and attain at the same time his highest recognition nationally. He was elected president of the National Education Association in 1949 with the principal goal of getting through Congress the federal aid to education bill which had been rejected in the previous Congress. But he had President Harry S. Truman on his side in that fight, and he was to win that one too, giving him rank as a national lobbyist.

SKY ROCKET

As President of the NEA he spoke in practically every state in the nation. * * * In his days as president of the university, he attained the heights as the most powerful lobbyist in the state's history. It seemed he had but to ask to bring about the greatest growth in the state's physical plant in history. Only in the last two years has the legislature balked at the Holt magic touch, and he has undoubtedly felt this loss keenly, probably as part of his stepping down process while he is so far ahead.

He has seen the university grow from around 10,000 to more than 20,000 enrollment and 22nd rank in the nation. He has seen the campus at Martin added, the graduate space school at Tullahoma, the consolidation with the University of Chattanooga which becomes

effective with next year, and the expansion of Nashville's branch as a night school.

IN POOR HEALTH

His health has not been the best in recent years. He has had bouts with ulcers in 1963 and again in 1966, but his activities have never lessened. He has never moved into an ivory tower of a college president but has remained available to the students and the public at all times. He is not likely to retire into limbo, but will remain active in an advisory capacity to the university and to schools in general for the years to come.

He ranks as one of the great story tellers of the time, probably the greatest on the political scene since the immortal Robert L. (Bob) Taylor. * * *

He took with him from the state government Dr. Edward J. Boling, who has served as his right hand and his alter ego in the administration of the university. Dr. Boling appears to be in line to take over from President Holt in orderly succession next year. Certainly he will have the Holt support and advice in the years that follow, as he may need them.

SHOWED THE WAY

Dr. Holt's regime has shown the way for bright, progressive administrative leadership in contrast to the cloistered academic figure.

Dr. Holt reaches the age of 65 on Dec. 4, 1969, and might have remained for another five years before compulsory retirement. But he apparently prefers to step down from the peak, and watch the blossoming of his dreams for the university.

Dr. Holt was probably the No. 1 "Big Orange" athletic fan, and the odds are he will be there Saturday afternoons during football seasons for years to come. Likewise, he will likely be available in years to come to speak to many school and civic groups in the inimitable Holt story-telling way. Certainly, the university will be asking his folksy approach to legislators and to the board of trust when problems are tough in the next several years.

There'll not be another "Andy" Holt likely within the next generation, at least. Long live the record of Dr. Andrew David Holt, and the happy memory of "Andy" Holt.

[From the Nashville (Tenn.) Tennessean, June 2, 1969]

ANDY HOLT TO BE MISSED, AND DIFFICULT TO REPLACE

Dr. Andrew Holt's annnouncement that he will retire as president of the University of Tennessee in September, 1970, comes as a surprise and a disappointment.

Although he will be 65 next Dec. 4, Dr. Holt has shown no noticeable decline in health and vigor. It was hoped he would stay on to guide the university a few more years. But his sudden and apparently final decision to retire seems to preclude that possibility.

UT has experienced its greatest growth and expansion of service since Dr. Holt took over as president in 1959. Its physical plant has become one of the most attractive and serviceable in the South. The university's academic program has been broadened and improved under Dr. Holt's administration, and the athletic program has become the envy of universities all across the country.

So far, UT has weathered the wave of campus disturbances with a minimum of disruption. This is not to say there has been no dissent on the campus. There has been. But for the most part, the administrators have been able to achieve a delicate balance between student demands and the anti-intellectual reaction in the legislature and other public bodies:

One of Dr. Holt's most recent accomplishments was the negotiation of an open speaker policy which was approved by the board of trustees Thursday. The policy, giving recognized student organizations full authority to select speakers of their choice, resulted from several months of earnest discussion among students, administrators, and board members. Without Dr. Holt's well-known tact and diplomacy, it is doubtful if this issue could have been resolved in such an amicable manner.

Some may feel that Dr. Holt is stepping down to avoid the even greater student unrest which is predicted for the future. This would be an unfair criticism of a university president who has absorbed his share of difficulty.

If more disturbances do come, they are likely to come next year while Dr. Holt is still president of UT. This final year of his administration—during which he should be relatively free of political pressure and uneasiness about his job may give Dr. Holt the opportunity to perform some of his most valuable service to the university.

Dr. Holt deserves much credit for bringing the University of Tennessee to its present high level of educational proficiency. He will be missed when he steps down as president.

The UT board will have to choose his successor with great care if the advances in academic achievement and academic freedom are not to suffer.

PATH OF UNITY PAVED BY NATIONAL EDUCATION ASSOCIATION

(Mr. CORMAN asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. CORMAN. Mr. Speaker, few Americans do not, to one degree or another, share the guilt implicit in the conclusion of the National Advisory Commission on Civil Disorders:

Our Nation is moving toward two societies, one black, one white—separate and unequal.

In a quite literal way, the professions have reflected the divisiveness that is a part of our society. The legal profession, of which I am a member, has its separate Negro and white organizations, as do many others including the medical, clerical, and teaching professions.

To their credit, many of these professions have made great strides in recent years in uniting their dual associations. One in particular, deserves the applause of the entire Nation, and I would like to bring it to the attention of my colleagues today on the eve of their 107th annual convention in Philadelphia. It is the teaching profession, and in particular, the million-member National Education Association.

In 1857, Mr. Speaker—the same year the Supreme Court ruled that Dred Scott is a property—Robert Campbell, a Negro immigrant from Jamaica, became a charter member of the National Education Association.

In 1866, while the Southern States were still smoldering after the horrors of the Civil War, NEA President James Wickersham called for and got an association platform supporting a system of free public education for every boy and girl in America. Booker T. Washington, the great Negro educator, was a featured speaker at NEA conventions in 1884, 1896, and 1904.

Thus, long before the term "civil rights" came to mean, popularly, equality for Negroes and other minority groups, NEA policy and programs were behind the Negro's cause.

It is significant, Mr. Speaker, that it was the National Education Association that held the first completely integrated convention in the South. It was the NEA that pioneered in staff appointments without regard to race and was cited for so doing in 1955 by the Urban League of Washington, D.C. The largest professional organization in the world, NEA in 1968 elected the lady who now heads the women's bureau, Mrs. Elizabeth Koontz, as its president. Mrs. Koontz, a North Carolinian, is black.

But the teaching profession, perhaps even more acutely than other professions, is scarred by the sores of segregation. It, too, has suffered its separate associations divided by race.

Although the NEA never denied membership to Negroes, 17 border and Southern States did establish dual education and teacher associations along racial lines. Because it never had the direct power to set membership requirements for its largely autonomous affiliated State and local associations, NEA has recognized both Negro and white dual affiliates. But in recent years it has worked painstakingly to eliminate the last vestige of racially organized affiliates. The NEA is fast approaching that goal, with the merger of dual affiliates completed in all but three of the States. Mr. Speaker, I believe that educators, through the NEA, have made the most outstanding record in the Nation among all the professions in eliminating racial lines among members, and I would like to make this record known to my colleagues in the House.

In 1952—2 years before the historic Supreme Court ruling on school desegregation—a joint committee of the NEA and the predominantly Negro American Teachers Association recommended establishment of local and State joint committees in areas having dual associations to grapple with the common problems and to work toward integration of the teachers associations. Most of these potential mergers have come about, usually with NEA assistance.

When the Supreme Court struck down school segregation, the 1954 NEA Representative Assembly adopted a resolution reading, in part, as follows:

The principle embodied in the recent decision of the Supreme Court of the United States with regard to racial segregation is reflected in long-established provisions of the platform of the National Education Association. The Association recognizes that integration of all groups in our public schools is more than an idea. It is a process which concerns every state and territory in our nation.

In 1964, the NEA adopted a resolution—which was strengthened in following years, requiring the full merger of dual local, district, and State associations on penalty of disaffiliation from the NEA.

In 1966, NEA sponsored a workshop for officers of local associations that had merged or were considering such a step. This group discussed constructive ways of dealing with this problem and the roles of State and National associations in providing assistance.

By November 1966, all States had removed their racial restrictions on membership, and 41 of the 50 State associations were fully merged. This same year the American Teachers Association united completely with the NEA after more than 3 years of careful planning and negotiation. The Negro organization's staff people were hired by NEA to work in the newly opened southeast regional office in Atlanta, Ga.

Since that time, Tennessee, Texas, South Carolina, Arkansas, Georgia, and Alabama have erased racial lines in their respective State's professional education associations.

The path toward unity in many cases has been difficult. A good deal of courage, trust, patience, and determination has been required by both white and black teachers in the South to achieve a merger plan acceptable to both groups. The complications have been numerous: disposal of assets, assumption of new financial obligations, guarantees of a leadership role for the smaller Negro membership in the new organizations.

Through it all, the NEA has patiently but stubbornly prodded for unity, making its facilities, staff, and funds available to help its southern affiliates affect merger.

Only three States have not yet agreed upon mutually acceptable plans for merging their dual associations. They are Mississippi, where the white association rejected an NEA factfinder plan; North Carolina, where the Negro association refused another NEA factfinder plan; and Louisiana, where both associations have failed to vote on a plan for merger.

These NEA affiliates have been suspended by the NEA executive committee, and thereby have been denied the benefits and services of the national organization. But, I am told, Mr. Speaker, that there is reason for optimism that unity will be effected in these States in the near future.

Whatever the outcome—and I am hopeful it will be unification for these three States—it can be said that the teachers of America, through the National Education Association, have paved a path of unity for all of the professional organization of this land.

"THE BRIDGE AT REMAGEN"

(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, numerous press statements have been directed at those war films which are made with the assistance and cooperation of the Department of Defense. Without passing any judgment on or commenting upon any other film, I would merely like to point out that the record is crystal clear on the use of American military equipment in the motion picture "The Bridge at Remagen." All of the tanks, trucks, jeeps, armored cars, and other vehicles were rented from the Austrian Ministry of Defense and transported into Czechoslovakia, where the bulk of the filming was accomplished from June 6, 1968, up until the very day of the Russian and Warsaw Pact invasion of Czechoslovakia. This equipment had been sold many years ago by our Army as surplus material immediately following World War II. I can state categorically that no American equipment, no American military personnel, no free technical advice, and no expenditure of taxpayers' money went into the production of "The Bridge at Remagen."

I have carefully avoided the use of the pages of the CONGRESSIONAL RECORD to make any mention of "The Bridge at Remagen," lest anyone draw the conclusion that I am using my position as a Member of Congress to employ an official document like the CONGRESSIONAL RECORD to comment on this motion picture. However, in the light of recent news articles and speeches on the floor discussing the use of American military equipment and taxpayers' funds in the production of other films, I feel constrained in the face of other press inquiries to make these facts available concerning the filming of "The Bridge at Remagen."

Since it is impossible to set forward in a 1-minute speech the full details concerning the amount and nature of military equipment rented from the Austrian Minister of Defense, I intend early next week to spread upon the RECORD the full account of how this equipment was obtained and utilized in the film "The Bridge at Remagen."

WILLIAM PRESSER HONORED FOR ISRAEL AID

(Mr. FEIGHAN asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. FEIGHAN. Mr. Speaker, on Sunday, May 25 more than 1,500 persons gathered at the grand ballroom of the Sheraton-Cleveland Hotel to pay tribute to William Presser, international vice president of the Brotherhood of Teamsters for his efforts in promoting the sale of bonds for Israel among labor unions. Bill Presser is truly one of the most active, vigorous, and highly respected labor leaders in Ohio and this banquet in his honor was an expression of the deep admiration and affection felt for him by all who know him and those who are familiar with the scope of his philanthropic activities.

During the dinner it was announced that through Bill Presser's efforts more than $1.5 million worth of bonds for Israel were sold. This was certainly a remarkable achievement by one person and the presentation to Bill of the Tower of David Award by the State of Israel indicated the importance attributed to such an accomplishment by the Israel Government. The Tower of David Award is one of the highest awards that the National Israel Bond Organization can bestow upon an individual. It recognizes the efforts made by the recipient to maintain an outpost of democracy in the Middle East by participating in the economic development of the State of Israel.

The award was presented by Col. Isaac Sella of the Israel Air Force to William Presser "in acknowledgment of notable participation in the campaign to provide a sound economic foundation for the rebirth of Israel as a tower of spiritual renewal and strength for the Jewish people." Colonel Sella represented Prime Minister Golda Meir, who sent the following telegram:

Warm greetings occasion Testimonial Dinner in your honor. This symbolizes multiple causes linking Israel and the United States as individuals, as heirs of the Biblical heritage and as promoters of labor values in a just society. These links expressed in Israel Bonds help us maintain and expand our economy in face continuing refusal Arab states to enter into direct peace negotiations with us. Best wishes, Golda Meir.

The following excerpts from the remarks of Edward Wyner, chairman of the dinner, and an outstanding member of the legal profession, are also indicative of the high esteem in which Bill Presser is held.

Tonight we honor a man who for over 40 years has worked amongst us to improve the lot of the working man.

His skill and devotion as an advocate of the interest of labor has caused his services to be required in many parts of our country.

Recognition has come to him from all corners of his chosen field culminating in his election as Vice President of the International Brotherhood of Teamsters.

To each of his duties he brings a quiet thoughtful kindly approach.

A steady succession of problems involving people from all walks of life find their way to his office, where quietly, humbly and with apparent ease solutions acceptable to all seem to eminate from this slightly heavy set fellow who you sometimes think is dozing as you talk to him only to have him quickly and incisively go to the heart of the problem you have brought him.

What keeps him going with a program day in and day out frequently seven days a week—that seems backbreaking through periods of personal discomfort?

I believe it is a basic love of people—a basic desire to help others—and a willingness to be where he is needed and to stand and be counted.

Respected by his co-workers he is also held in the highest esteem by those with whom his work brings him into controversy.

And so friends I take great pleasure in welcoming you tonight to this evening devoted to Bill Presser and his interests, and it seems to me to be fittting and proper that those amongst whom he works should gather with the leaders from all walks of life to express their appreciation at this Labor Tribute Dinner when this affection for him is expressed by your being here and by your support of Israel, which is so close to Bill's heart.

This devotion to humanity is not confined to Bill alone, however. His wife, Faye, has consistently contributed her talents to the causes of the Teamsters Union and in 1967 was cited by the union for her outstanding service to the rank and file teamster member and his family. A member of the Cuyahoga County Board of Retardation and a director of the Parent Volunteer Association for Retarded Children, Inc., Mrs. Presser has also been the largest single individual fund raiser for retarded children and has tirelessly dedicated her energies to programs for the retarded.

Immeasurable benefit has been gained

by the Cleveland community because of the Pressers. I will not attempt to give individual recognition to Bill Presser's many and unique contributions to humanity but his singular success in the Bonds for Israel drive deserves special mention. I am proud to call to the attention of the Congress the tremendous accomplishment by one man.

LOW-INCOME ALLOWANCE

(Mr. SCHNEEBELI asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. SCHNEEBELI. Mr. Speaker, I want to discuss in some detail the low-income allowance, which was one of the foremost proposals included in the President's initial tax reform program sent to us on April 21, and which our Ways and Means Committee has incorporated into the anti-inflation bill which is before us now.

Treasury studies of our income tax system have revealed a paradox in our social policy: while we are publicly pledged to relieve the plight of all Americans who live in poverty, we are adding to their plight by imposing a tax burden on them. That is why a top priority has been given to eliminating the tax liability of persons whose incomes are at or below poverty levels.

The low-income allowance would remove from the tax rolls all taxpayers with incomes up to amounts officially determined as poverty levels for 1969. It would provide substantial tax relief for single individuals and families with income above poverty levels but still short of adequate levels.

In combination with personal exemptions and the minimum standard deduction, the low-income allowance would make the income of a single individual tax free up to $1,700. A single individual with income over $1,700 but less than $3,250 would pay reduced taxes. In the case of a family of four, the income would be tax free if it did not exceed $3,500, and taxes would be reduced if it did not exceed $4,500. The effect would range up to a maximum of $5,900 of tax-free income for a family of eight.

For families larger than eight persons, the minimum standard deduction together with personal exemptions now prevent tax liability at or below official designated poverty levels.

The low-income allowance would be built into the tax tables, so it would not require complicated computations by the low-income taxpayer. He would simply read the tax table, as he does now.

In aggregate, the proposal would affect nearly 12 million tax returns, providing them with an average individual tax saving of about $50. It would relieve as many as 5.2 million tax returns, including some 2 million families whose total income is below the poverty level, of virtually all Federal income tax liability.

I would like to call your attention to tables prepared by the Treasury. The first table shows State-by-State benefits of the low-income allowance and the second gives a percentage ratio of benefiting returns. The tables follow:

TABLE 1.—RETURNS BENEFITING FROM THE ADDITIONAL LOW-INCOME ALLOWANCE, BY STATES

[Thousands of returns]

State	Total with tax decrease	Returns made nontaxable [1]
Alabama	164.4	73.0
Alaska	6.9	3.1
Arizona	84.7	37.6
Arkansas	101.3	45.0
California	1,115.7	495.4
Colorado	115.7	51.4
Connecticut	166.5	73.9
Delaware	34.8	15.4
District of Columbia	48.3	21.5
Florida	353.4	156.9
Georgia	322.8	143.3
Hawaii	36.8	16.3
Idaho	29.4	13.1
Illinois	644.1	286.0
Indiana	290.3	128.9
Iowa	179.2	79.6
Kansas	146.7	65.1
Kentucky	140.8	62.5
Louisiana	160.7	71.4
Maine	64.5	28.6
Maryland	314.5	139.6
Massachusetts	420.6	186.8
Michigan	485.2	215.4
Minnesota	243.2	108.0
Mississippi	90.8	40.3
Missouri	246.8	109.6
Montana	41.7	18.5
Nebraska	84.8	37.6
Nevada	21.7	9.6
New Hampshire	54.6	24.2
New Jersey	378.6	168.1
New Mexico	51.2	22.7
New York	1,150.4	510.8
North Carolina	300.9	133.6
North Dakota	37.2	16.5
Ohio	626.0	278.0
Oklahoma	136.8	60.7
Oregon	117.4	52.1
Pennsylvania	706.8	313.8
Rhode Island	75.4	33.5
South Carolina	157.6	70.0
South Dakota	50.9	22.6
Tennessee	227.6	101.1
Texas	639.6	284.0
Utah	51.7	22.9
Vermont	41.7	18.5
Virginia	247.2	109.8
Washington	177.1	78.6
West Virginia	89.6	39.8
Wisconsin	243.6	108.1
Wyoming	17.0	7.6
All other areas	34.9	15.5
Total United States	11,770.0	5,226.0

Source: Office of the Secretary of the Treasury, Office of Tax Analysis.

[1] Estimates of returns made nontaxable within each State assume a constant ratio of nontaxable returns to benefiting returns for all States.

Note.—Detail may not add to total due to rounding. These estimates are subject to errors due to sampling variability within some States.

TABLE 2.—*Estimated returns benefiting from the additional low-income allowance as a percent of estimated taxable returns, by States*

State:	Percent
Alabama	19.7
Alaska	10.3
Arizona	19.0
Arkansas	23.1
California	17.2
Colorado	18.5
Connecticut	15.3
Delaware	19.5
District of Columbia	17.4
Florida	21.0
Georgia	24.8
Hawaii	16.3
Idaho	15.8
Illinois	16.5
Indiana	17.5
Iowa	20.4
Kansas	21.2
Kentucky	17.3
Louisiana	18.7
Maine	20.9
Maryland	21.1
Massachusetts	21.3
Michigan	16.7
Minnesota	21.5
Mississippi	21.3
Missouri	17.3
Montana	20.0
Nebraska	18.5
Nevada	14.5
New Hampshire	22.2
New Jersey	15.5
New Mexico	20.7
New York	17.6
North Carolina	22.4
North Dakota	21.6
Ohio	17.4
Oklahoma	20.1
Oregon	18.0
Pennsylvania	17.7
Rhode Island	22.3
South Carolina	24.9
South Dakota	27.9
Tennessee	21.7
Texas	21.2
Utah	18.9
Vermont	30.2
Virginia	18.7
Washington	16.5
West Virginia	18.8
Wisconsin	17.7
Wyoming	17.1
All other areas	28.4
Total, United States	18.6

(NOTE.—These estimates are subject to errors due to sampling variability within some States.)

POSTAL REFORM AND MODERNIZATION LEGISLATION

(Mr. SCOTT asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. SCOTT. Mr. Speaker, on June 9, addressing the House under special orders, I discussed at some length with my colleagues the important issue of postal reform and the various proposals which have been introduced. At that time, it was indicated that most of us favor postal reform and that I agreed with portions of the several bills now pending before the Committee on Post Office and Civil Service.

I rise today to reinforce that statement with the introduction of legislation which, in my estimation, contains the features of prime importance in our efforts to accomplish sound postal reform. I am fearful of the consequences of some of the proposals which have been offered, and especially do not want to gamble with the future of the civil service merit system and the futures of some 700,000 postal employees who are under the protection of that merit system.

Mr. Speaker, I wish therefore to offer a brief explanation of the provisions of the bill I introduce today.

This legislation will, first of all, remove the Postmaster General from the President's Cabinet and provide for a 12-year term of office. This serves several purposes. It provides for continuity in administration of the Post Office Department, which has been recommended by every major witness who has appeared before our committee. It also removes the Postmaster General from the realm of chief patronage dispenser of the President and assigns him to no other duties

except those of administering postal affairs. The measure also provided are 6-year terms for the positions of Deputy Postmaster General, six assistant postmasters general, and the general counsel. The legislation staggers the terms of the initial appointees to assistant postmasters general so that after the system is in operation, only one term will expire in any single year.

The legislation places with the Postmaster General the authority to appoint postmasters in all classes of post offices, and such appointments would not be subject to Senate confirmation. In making these appointments, the Postmaster General would be obliged to give first preference to qualified postal field service employees who reside within the county in which the post office is located. Otherwise, the appointment would be made through competitive examination. The same procedure would hold true for appointments to rural carrier positions. In addition, this measure provides that each qualified substitute rural carrier of record who has completed 3 years of satisfactory service will be eligible to receive a career appointment as a rural carrier without examination.

The legislation also deals with the problem of the use of political influence in the postal service. It sets forth strict prohibitions against the solicitation or use of such influence in connection with appointments, promotions, assignments, transfers, and designations in the postal field service. Any person who violates these prohibitions would be subject to disqualification.

The final feature of my legislation deals with what is probably the most outstanding deficiency in the present system, that is the failure to provide modern and efficient facilities for the ever-growing postal operation.

The language in the bill creates a Postal Modernization Authority, a body corporate, to act as a development and holding company, controlled by the Postmaster General, for all buildings, facilities, equipment, and machinery needed in postal operations. The Authority is authorized to acquire, hold, develop, and perfect buildings and equipment suited to postal needs, and to issue and retire bonds, up to $10 billion worth, for these purposes. The Authority would lease needed buildings and equipment to the Postmaster General at rentals which will return the Authority's total cost.

This Modernization Authority would remove the obstructive handicap that has for many years deprived the Post Office Department of adequate facilities and has prevented it from developing long-range plans.

My bill has a feature which is not included in other similar legislative proposals. The language I propose would pledge the full faith and credit of the United States as well as the Authority behind the bonds. I believe this would enhance the marketability of the bonds and it would be a proper role for the Government to assume with respect to a postal modernization authority that serves the entire Nation.

Mr. Speaker, these are the features which I believe provide the necessary steps to take toward the reform and modernization of our postal system. Perhaps additional steps will be necessary in the future, but I think we should be cautious in our efforts to restructure the Postal Establishment and not run the risk of killing the patient with the cure.

COSMOPOLIS: A NEW CITIES PROPOSAL

(Mr. WALDIE asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. WALDIE. Mr. Speaker, last year I placed in the CONGRESSIONAL RECORD a proposal by a constituent of mine, Mr. Daniel W. Cook of Urban Development Analysts, entitled "New Metropolises." This proposal was aimed at a solution to the increasingly tragic problem confronting our Nation as its cities and population therein continue to deteriorate. Mr. Cook has now expressed some additional views on this serious problem and I am taking the liberty of sharing those views with my colleagues by including his article, entitled "Cosmopolis: A New Cities Proposal," as a part of my remarks:

COSMOPOLIS: A NEW CITIES PROPOSAL

(By Daniel W. Cook)

The people of the United States once lived on farms and in small towns. About seventy percent of their descendants now are gathered into 212 large metropolitan areas. This article proposes new cities as the third stage for the arrangement of population within the continental United States. Fiscal devices for smooth transition to an automated economy could be incorporated into new cities. For example, residents of a new city could own stock in automated enterprises located there.

Since the founding of the Republic, Americans have dreamed of building a great civilization, a society where people devote their energies and creative instincts to pursuing the good life for all. Today we are a metropolitan society. But our existing metropolitan areas display symptoms of disease and decadence. Our enormous megalopolises continue to expand but they are characterized by miles of slums, scattered suburban wastelands, snarled and snarling traffic, poisonous air, poverty, and depressing ugliness. As people from rural areas and smaller towns continue to pour into metropolitan areas, a host of new social and economic ills sprout. Our present attempts to cope with metropolitan problems chase people from their homes and businesses as the bulldozers of "urban renewal" replace slums with prison-like middle-income housing barracks. Parks and scenic areas are chewed up and spat out as super freeways push through the cityscape. Outer "new town" slurbs sprawl across nature's land as exurbanites seek open space. Bureaucracy grows as people become cogs in the wheels of forward motion. Workers are laid off as machines and computers assume the tasks of production and control. In short, we are a sick metropolitan society.

Projections of our future urban population growth indicate that by the year 2000 about 90 percent of our 350 to 400 million people will be living within our *existing* metropolitan regions. Dr. Harrison Brown of the California Institute of Technology predicts a U.S. population of a least *one billion* people by by the year 2075. He, along with many other experts in the field of urbanization, foresees two continuous urban conurbations, one running down the East Coast, the other along the West Coast. Other super strip "cities" are expected to emerge along the Gulf Coast, the Great Lakes, and perhaps along the front range of the Rockies. This then, if we accept trends, projections, and expert prognoses, is the shape of the future—the horror of "monsteropolis."

We don't have to accept this fate as inevitable. Nor should we consciously plan for it. We should not delude ourselves by thinking that the answers to our present and future urban messes will be provided by the magic of metropolitan planning, massive urban renewal, or even satellite new towns. What is needed is to chart a new course for building a new kind of urban civilization.

An alternative to the predicted spread of megalopolis could be the enactment of a *National Urban Policy* favoring the development of planned new metropolises. The objective of such a policy would be to encourage a substantial portion of our population growth away from present metropolitan regions to wholly new central cities. During the next half-century *at least 100 new metrocities* could be built in diverse locations throughout the United States. They could be developed upon surplus Federal Public Domain Lands and non-productive private lands in the west, the plains states, the east, and the south.

The new cities could be planned for populations ranging from 500,000 to 3,000,000. They could be constructed where land, water, scenery, climate, and accessibility suggest. At least two new metropolitan cities could be begun each year during the next 50 years. Fortunately, the more than 178 million acres of vacant Federal Public Domain lands in the western states offer many potential sites where new cities could be developed at no cost for land acquisition. With a projected population increase of 150 to 200 million people during the next half century, a minimum of 100 million people could be housed in these new cities if they averaged a million citizens each. This would still allow for substantial additions to our present metropolitan regions and viable smaller towns.

The concept of the *Cosmopolis* is that of a cosmopolitan city, conceived in the Space Age, with finite limits. Its economy would be organized upon the principle of private property ownership for all, equal opportunity for all to participate in the ownership of capitalistic production, and hence economic and social justice. It could be a city of universal affluence.

Within the continental western states we have a vast reservoir of land—land for living as well as for open space, recreation, wildlife, animal production, minerals, watershed, and timber. The United States Bureau of Land Management, part of the Department of the Interior, administers about 178 million acres of land in these states. Parcels of about 100,000 acres could be set aside for new urban growth and development centers. If 60 to 80 sites can be found in just the western states, then only six to eight million acres of the present inventory of 178 million acres would need to be converted to urban use. This would leave 170 million acres for additional new cities, open space, conservation, and other appropriate activities.

It is more economical to construct new cities than to attempt to rebuild existing cities in a "total urban renewal" program for the next 20 years. A reasonable estimate suggests that we can construct over one hundred new cities designed for an average population of 1,000,000 persons for a cost of about $1,000 billion—much less than half the cost for a total urban renewal effort. This does not mean, however, that we should not continue to rebuild and revitalize our present cities.

A primary cost item for both renewal and fringe growth is land, and land for urban redevelopment projects is the most expensive. Cleared land in urban renewal project areas, after acquisition, demolition, and site preparation, usually sells for a minimum of $100,-

000 per acre and can go as high as $1,000,000 per acre. Raw suburban land, readily available for new development near the fringes of our major metropolitan centers, typically goes for $4,000 to $20,000 per acre. This price pattern is one of the major reasons for the suburban sprawl of the past 25 years. But if Public Domain lands were utilized, the land would be free. No bond issues or special taxes would be needed for acquiring school sites, park areas, or rights of way for freeways, streets, and utilities. Also, each new city could be preplanned for community facilities and transportation routes. Finally, special urban development corporations could have the primary responsibility for actually building each project city. The economic advantages of modern technology and management techniques, along with advanced planning, could provide further economies in the urbanization process.

The new metropolis program, if imaginatively executed, could:

(1) increase the efficiency of our economy by adapting production to market areas rather than tieing it to natural resource deposits or cheap transportation areas;

(2) create millions of new property owners, jobs, and entrepreneurial opportunities;

(3) decentralize the concentrated pattern of decision making, now prevalent in our society. The concentration of economic power and political authority is a danger to political and economic freedom. Big government and big business directly and indirectly account for about 80% of the jobs, and nearly 70% of all productivity activity of the United States is lodged in the top 500 corporations. The Cosmopolis program, with its attendant economic reforms, could distribute economic and political power more widely;

(4) compete with existing cities and metropolitan areas, thereby accelerating action for massive improvement in all our major cities, as well as slowing their growth by attracting part of their population to new urban centers;

(5) distribute minority groups more evenly throughout the United States, and provide new "ground-floor" opportunities for the disadvantaged to participate in the economy.

Many economic and social innovations could be integrated into the development of each cosmopolis. For instance:

1. Initiation of an *urban homestead land grant system*. This program, after state acquisition of the city site, would grant free land to individuals and businesses for use as homes, apartments, businesses, office, industries, etc. Since the city would be totally preplanned, these homestead land grant parcels would have to be developed according to the Master Plan before title to ownership would be granted. This program would help the poor acquire land, diffuse the ownership of private real property, and aid in the creation of thousands of new capitalists—just as the original 1862 Homestead Act created many new capitalists in the agricultural sector of the economy.

2. Enabling legislation for chartering special Urban Development Corporations. New city building companies would operate like public utility companies. Their profits would be regulated, and their ownership broadly distributed. These corporations should be privately financed and owned by a broadly diffused stockholder group composed mainly of future citizens of each new city. The corporations could be charged with developing and precisely planning the new cities, constructing buildings for sale or lease, and operating as prime contractors. Their organization could be similar to that of the Communications Satellite Corporation, and similarly financed.

3. Participation of national industrial, financial, and construction corporations. American industry, when called upon, has responded to a variety of challenges. It will respond to a new domestic program of urban development if it is given the proper incentives, governmental legislation, and public support.

4. Creation of a life expectancy renewal fund, or a sinking fund to depreciate the replacement cost of buildings for automatic private "urban renewal." Upon the issuance of a building permit, the estimated life expectancy of the building would be determined. If a structure had a 50 year life expectancy, 1/50th of the estimated future replacement cost (less 6% compound interest) would be deposited annually in a municipal trust fund for continuous investment in public improvements and mortgages. These replacement funds would be part of the value of the structure, so that ownership would transfer from property to property in fair exchange value. This fund could also be used for periodic maintenance and remodeling. The advantages of this are that all private structures would have a time limit on their existence; the money for replacement would be automatically accumulated for each owner, at a fair rate of earnings in a trust fund; and continuous private renewal would take place, thus eliminating the need for future Federal urban renewal or slum clearance projects.

5. Replacing our present system of annual property taxes with a local system of graduated capital gains taxes, primarily levied upon real property capital gains. A graduated scale geared to the magnitude of capital gains realized either through sale or trade could provide local revenues for financing functions of government at the local level. A graduated capital gains tax ranging from 10% to 90% would discourage speculation, would tax unearned increments of value rather than productive outputs of wealth, and would tend to maintain the price of real estate at a lower level. By controlling urban land inflation, the incentives for suburban sprawl would be checked and the necessity for overcrowding the land because of its high acquisition cost would be ameliorated. The graduated capital gains tax would also have the effect of discouraging excessive capital accumulations based on unearned increments of land value and of encouraging diffused ownership of real property.

6. A functional school system which would train a person how to be a businessman, how to build a house, how to acquire a saleable vocation, how to develop civilized skills for city living. The poor settler, given the "Homestead Land," the house plan, and the "sweat-equity" procedure for home-ownership, must also be given the values and the know how for living in a city, and the skills for either obtaining a good job or for going into business for himself. If the other programs, i.e., "grubstake," or "new capitalist" finance plans are to work effectively, the people must be educated for utilizing such programs.

7. The establishment of social adjustment centers in each community. These centers, properly staffed, would re-educate and rehabilitate deprived persons moving to the city from other areas. The objective would be to take the "slum" out of people through understanding and education before a new slum could develop.

8. Creation of a Capitalist Economic Development Exchange, to operate under principles similar to the "grubstake" system of the old West. This institution would finance or "grubstake" individuals in the development of new enterprises. It would provide capital for businessmen, inventors, scientists, artists and writers, in return for a share of future profits. This institution, however, would be required to keep investing funds in new enterprises. Earnings would be continuously reinvested in order to provide a continuous flow of funds to finance "new capitalists." In effect, a revolving fund of financial resources would be created for assisting the city's new citizens in becoming businessmen, owners of income producing private property, or successful creators.

9. Creation of a Capital Diffusion Insurance Corporation at the Federal level which would insure loans to workers and other qualified "non-capitalists" for the purchase of income producing security portfolios consisting of diversified stocks, bonds, mortgages, and real property. Its function would be to assist those who may not be able to participate actively in the economy (either as an employed worker or entrepreneur due to automation and economic change) to participate in wealth production as owners of income producing capital. In other words, this government corporation, similar in concept to the F.H.A., would insure loans made to the new city residents by the existing commercial banking system for the purchase of shares of stock. Citizens moving into the new cities would be eligible to purchase stock in those corporations locating facilities in these same new cities on a "financed-capitalist" basis. They would become co-owners of the industries creating the economic base of the new cities.

10. Encouragement, through proper legislative policy and tax inducements, of profit sharing and equity sharing plans in mature corporations which might establish new plants or other facilities in these new cities. This would primarily benefit employees who retire early because of automation. The corporation would benefit indirectly from the recirculation of these funds within the local community.

THE VOTING RIGHTS ACT OF 1965 SHOULD BE PROMPTLY EXTENDED

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

Mr. RYAN. Mr. Speaker, yesterday Attorney General Mitchell, after five previous postponements, finally appeared and testified before the House Judiciary Committee on legislation which the chairman of that committee (Mr. CELLER), as well as myself, have proposed to extend the provisions of the Voting Rights Act of 1965 for 5 additional years.

To the dismay of all of us who pointed out in our own testimony before the committee the gap between white and black political participation in the South which still exists, Attorney General Mitchell took a position which would have the effect of seriously diluting the impact of the Voting Rights Act on the Southern States now covered by the act. He also proposed that provisions of section 5 of the act, which require that States covered must obtain approval of the U.S. District Court for the District of Columbia for proposed changes in their election laws or procedures, be replaced with a system which would place the burden on the Department of Justice to identify election laws, rules, or procedures which might have a discriminatory effect. In order to prevent the application of such laws, the Justice Department would have to obtain an injunction from the Federal district court in which the rules were promulgated. This means that in the South these petitions would be heard by southern courts.

It would also mean a return to the tedious "case-by-case" method, lack of progress of which was one of the principal reasons Congress adopted the Voting Rights Act of 1965.

By postponing his appearance before

Subcommittee No. 5, five times the Attorney General has already delayed the approval of the extension on the Voting Rights Act for many weeks. Now he would inject new elements into the subcommittee's considerations, which would delay action on the Voting Rights Act for an even longer period.

I am shocked by the Attorney General's apparent ignorance of the need to extend the Voting Rights Act. Had he carefully read the testimony of governmental agencies such as the Civil Rights Commission, I cannot imagine he could say, as he did yesterday, that there is no justification for "regional" voting rights legislation.

As the testimony from the Civil Rights Commission, the National Association for the Advancement of Colored People, our colleague from Michigan (Mr. CONYERS), and myself before the subcommittee clearly shows, there is ample reason for extending the Voting Rights Act. Although 62 percent of voting-age Negroes are now registered in the 13 States of the Old South, 78 percent of the white voting-age population is registered. In the six States covered by the act, only 57 percent of the nonwhite voting-age population is registered, as opposed to 79 percent of the white voting-age population.

Instances of political harassment and intimidation of blacks seeking to register or vote continue to be reported. The presence of Federal examiners and observers is essential to protect the right to register and vote.

Mr. Speaker, I urge the Judiciary Committee to approve the extension of the Voting Rights Act and to send this legislation to the floor of the House for early passage.

The delaying tactics of the Attorney General and his desire to scrap vital parts of the machinery of that act should be promptly repudiated.

HON. GEORGE A. GOODLING, DISTINGUISHED ALUMNUS, PENN STATE UNIVERSITY

(Mr. DEVINE asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. DEVINE. Mr. Speaker, one of our most highly respected colleagues, Congressman GEORGE A. GOODLING, has been recognized and honored by the Pennsylvania State University. GEORGE GOODLING was granted the Distinguished Alumnus Award by the board of trustees and received the bronze medallion carrying the following inscription:

Presented to GEORGE A. GOODLING whose personal life, professional achievements, and community service exemplify the objectives of the Pennsylvania State University.

Our colleague, Mr. Speaker, also received the following citation:

To GEORGE A. GOODLING, for a career of legislative service to State and Nation; for nearly half a century of successful agricultural pursuits; for an exceptional record as a conservationist; and for community leadership in education and other public services.

I am proud to insert into the RECORD the full text of the Distinguished Alumnus Award as set forth in the brochure of June 21, 1969:

In his native State of Pennsylvania and in the Congress of the United States, Rep. George A. Goodling has enjoyed a distinguished legislative career. Beginning in 1942, he was elected to serve seven terms in the Pennsylvania Legislature, where in addition to his chairmanship of House committees, he was chairman of Joint State Government subcommittees. Now a member of the Agriculture and Merchant Marine and Fisheries Committees of the 91st Congress, Representative Goodling also held seats in the 87th, 88th, and 90th Congresses. His roots are deep in his York County birthplace, which he represents along with Adams and Cumberland Counties in the Nineteenth District. This south central Pennsylvania district has a population of some 425,000.

Representative Goodling attended York County Schools, the York Collegiate Institute, and Bellefonte Academy before enrolling at Penn State. His fellow students recall his considerable musical ability: he not only performed with the band but sang in the choir and the glee club. After obtaining a bachelor of science degree in horticulture in 1921, the future congressman taught vocational agriculture for two years; he then became the owner and operator of a fruit farm which he still maintains. His interest in education led him to become a school director, a post he held for twenty-eight years, serving as president of the board, treasurer, and a member of the building committee. In addition, he was one of the organizers of the Loganville Fire Co., and has been its secretary for thirty-two years.

An ardent conservationist, Representative Goodling succeeded against precedent—since he was a freshman congressman and a member of the minority Republican party—when a bill he introduced to protect the golden eagle was enacted into law. The population of the golden eagle, which is valuable to agriculture in the control of rodents, has declined at an alarming rate. The new law, Public Law 87–884, also provides a shield for the bald eagle, the United States' national symbol, which was often killed by persons mistaking it for the golden eagle.

During the last two sessions of Congress, Representative Goodling has introduced resolutions ranging from creating a select committee on ethics and standards for House members to permitting nondenominational and voluntary prayer participation in the public schools and other public institutions. He has also sponsored resolutions to broaden present federal control over oil pollution in coastal waters, a Human Investment Act to extend a tax incentive to employers providing training to upgrade workers' skills, and a resolution to reassert U.S. rights and privileges in the Panama Canal Zone.

A former member of the Civil War Centennial Commission and the Migratory Bird Conservation Commission, Representative Goodling served as a past president and is currently executive secretary of the Pennsylvania State Horticulture Association. His other memberships include the Agriculture Extension Association, Grange, Pennsylvania Farmer's Association, and Izaak Walton League.

GOVERNMENT PRINTING OFFICE ERROR

(Mr. ALBERT asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. ALBERT. Mr. Speaker, on yesterday the gentleman from Iowa (Mr. GROSS) called the attention of the House to the fact that the CONGRESSIONAL RECORD of Wednesday, June 25, 1969, on rollcall No. 91, contained a printing error. The name of our late colleague from Massachusetts, the Honorable William H. Bates, was listed as responding and voting "nay." The RECORD was corrected on the request of the gentleman from Iowa.

This error, of course, is extremely unfortunate in view of our colleague's death and the discussions that have occurred concerning voting in the House. There have been recommendations for changes in the voting procedures, as we all know.

In the instance of rollcall No. 91, the name of our late colleague was not called and was not listed by the tally clerk on the tally sheet sent to the Government Printing Office. The error occurred in the processing of this copy for the RECORD.

The Clerk of the House, the Honorable W. Pat Jennings, asked the Public Printer, Mr. James L. Harrison, for an explanation of the error. The Government Printing Office has advised that it is "completely at fault."

I insert at this point in the RECORD a copy of the Clerk's letter to the Public Printer and the reply received today:

JUNE 26, 1969.

Mr. JAMES L. HARRISON,
The Public Printer,
Government Printing Office,
Washington, D.C.

DEAR MR. HARRISON: I wish to call your attention to a very serious error in the CONGRESSIONAL RECORD of Wednesday, June 25th, on page H5210, Roll Call No. 91, on the passage of H. Res. 357. The late Honorable William H. Bates is listed as voting "Nay". However, his name does not appear on the official tally sheets of the House because of his death, and it was not on the sheet submitted to the Government Printing Office from which the RECORD was prepared. This sheet is attached.

Will you immediately furnish this office an explanation of how the late Congressman Bates' name came to appear as voting "Nay" on this Roll Call. I shall appreciate your responding to this inquiry by mid-morning of Friday, so this information will be available when the House goes in session at 11 A.M.

With kindest regards, I am

Sincerely,

W. PAT JENNINGS,
Clerk, U.S. House of Representatives.

U.S. GOVERNMENT PRINTING OFFICE,
Washington, D.C., June 27, 1969.

Mr. W. PAT JENNINGS,
Clerk, House of Representatives,
Washington, D.C.

DEAR MR. JENNINGS: In reply to your letter of June 26, requesting an explanation of how the late Congressman Bates' name appeared as voting NAY on Roll Call No. 91, page H–5210 in the CONGRESSIONAL RECORD of Wednesday, June 25, the Government Printing Office is completely at fault.

The alphabetical list of Congressmen for some years now has been produced in advance by pre-punched tape. This tape is used to control an automatic line-casting device which manufactures complete sets of the congressional roster. Because of the need for both speed and accuracy, this procedure was developed, and it has served to expedite RECORD production.

When preparing a roll call for insertion in the RECORD, a compositor, using copy submitted by the tally clerk, is supposed to separate the names into YEAS and NAYS, and remove names of those not voting. It was at this point the mistake was made. The name of Congressman Bates was not removed. The mistake was compounded when during proofreading the error was overlooked. We have identified both the compositor and proofreader responsible for this carelessness, and each has been officially

reprimanded for unsatisfactory workmanship.

I know of no single publication among the thousands we produce each day of which we are more proud, or which receives more careful attention, than the CONGRESSIONAL RECORD. I deeply regret this error which unfortunately is a source of embarrassment, not only to the Congress, but also to the Government Printing Office, and tarnishes our long-standing reputation for accuracy and promptness.

The galleys of type containing roll call material have been corrected, and Congressman Bates' name has been removed from all standing type.

As a future precaution, I might suggest that an official notice be sent to the Government Printing Office each time a name is no longer properly a part of the roll call list. If this were done, it would provide double assurance that such a deplorable error could not be repeated.

If there is anything further you may require concerning this incident, please let me know.

Sincerely,

JAMES L. HARRISON,
Public Printer.

I take the opportunity, also, Mr. Speaker, to commend our House employees who tally our votes during the daily sessions of the House. They work under extreme pressure and often find it difficult to hear the responses of Members when the names are called. In the instance of rollcall No. 91, Tally Clerk John Jenkins properly recorded the Members, the reported tally was correct, and the copy sent to the Government Printing Office was correct. It was simply a printing error and we should accept it in that fashion.

Also, Mr. Speaker, we should endeavor to understand the problems of the Government Printing Office. I am certainly sympathetic with the Public Printer's problems of producing a correctly and promptly printed RECORD for the use of the Congress and the public. It is well done, and we should all be grateful for the effort involved.

In conclusion, Mr. Speaker, I again commend our tally clerks, and trust this explanation ends the matter.

THE QUESTION OF CONTINUING THE SURCHARGE

(Mr. WIDNALL asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. WIDNALL. Mr. Speaker, there are many persons—including some in this Congress—who say the economy is not slowing up, that the income tax surcharge enacted a year ago has not taken hold.

On the other side, we hear from some who tell us inflation cannot be controlled without extending the surcharge and passing the other tax measures, that the measures have been put into place and they must be given the opportunity to work.

This is an important economic question, one on which honest men will differ.

One important economic analysis on this subject has just been released by the Chase Manhattan Bank, one of the Nation's largest financial institutions. In its June "Business in Brief" newsletter the bank notes "signs that these policies have begun to take effect have started to appear."

In the interest of having this timely economic analysis before us, I am inserting into the RECORD the bank's discussion:

BUSINESS IN BRIEF

The United States economy is, at last, set on a course that could eventually suppress inflation. Monetary and fiscal policies are both designed to that end. And signs that these policies have begun to take effect have started to appear.

The federal government is enjoying a modest surplus. A year ago, the deficit was running at a rate of over $10 billion on the income and product account basis. With higher taxes and tighter control of spending, there should be a surplus in the next fiscal year.

Monetary policy has been tight since late last year. Rates of growth in the various monetary measures have slowed sharply.

Slower growth in basic demand is the first requirement for containing inflation. The current inflation is by no means entirely due to excessive demand. But strong demand is necessary to allow prices to rise; only if demand weakens will it become more difficult to pass higher costs through the economy in the form of higher prices. Signs of progress:

Growth in total activity has slowed sharply. In real terms, gross national product was growing at an annual rate of 2.9% in the first quarter of 1969, down from 3.4% in the last quarter of 1968, and sharply below the 6.4% rate of the first half of last year.

The leading indicators—strong for most of the past three years—have begun to show moderate weakness.

A number of specific measures of activity—industrial production, income, housing starts—are either growing more slowly or actually declining.

Prices are still rising rapidly, in spite of these favorable signs. Consumer prices recently have been increasing at annual rates of more than 7%. This is to be expected; the momentum built up over four years of inflationary pressures cannot be broken quickly or easily.

Progress in reducing the rate of price change will be slow in coming, even if present policies are maintained. It now looks as if the economy will go on expanding at recent reduced rates for the next few months, with the growth rate tapering off later in the year. But the pressures for higher wages and higher prices are still so great that the actual rate of price increase is likely to slow only modestly by year end. Major progress on prices is not likely to appear before 1970.

Nevertheless, given enough time, the present monetary and fiscal posture appears sufficiently restrictive to break inflation. The problem for the authorities from now on will be to stick to their guns—to resist the inevitable temptations to change policy prematurely. They may be tempted to ease too soon, out of fear of possible recession, or to tighten too much out of dissatisfaction with progress on the price front.

Premature ease would validate the current inflation and add impetus to rising prices. It would reconfirm the inflationary psychology that lies behind excessive wage demands and the boom in business investment.

Further severe tightening, especially on the monetary side, could bring on the recession that nobody wants. Interest rates are already at extraordinary levels. Tighter money would threaten the availability of credit for the ordinary and necessary operation of the economy.

Patience and courage are now key factors in the fight against inflation. Patience is required because it will take at least a year, and probably longer, to restore an acceptable price trend. Political courage will be needed to resist pressures to ease up prematurely.

TAX LEGISLATION STUDY

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

Mr. VANIK. Mr. Speaker the issue which divides the House of Representatives on the surtax is whether meaningful revenue-raising tax reforms are a likely prospect this year. There are 102, or 42 percent, of the 245 House Democrats who have authored or cosponsored revenue-raising tax reform measures as of June 25, 1969. There are 26, or 15 percent, of the 188 House Republicans who have authored or cosponsored revenue-raising tax reform bills.

What is even more shocking is the determination that only one Republican member of the House Ways and Means Committee has sponsored a revenue-raising tax reform measure, and that was a bill to prohibit Federal land banks and land bank associations for qualifying as being tax exempt. The record in the other body is equally distressing.

In view of this shocking record of disinterest in meaningful tax reform, how can we believe those vague promises of "surtax now—reform later." This record clearly speaks for itself.

The study follows:

STUDY ON REVENUE-RAISING LEGISLATION

HOUSE OF REPRESENTATIVES

All bills listed herein are those listed in the House of Representatives Ways and Means Committee Legislative Calendar for the 1st Session 91st Congress through June 25, 1969 or the Congressional Record through May 8, 1969. Congressmen not listed have no tax reform bills producing new revenues on record through these dates.

Revenue measures—House

42% or 102 of 245 House Democrats have authored or co-authored tax reform bills producing new revenues.

15% or 26 of 188 House Republicans have authored or co-authored tax reform bills producing new revenues.

House Ways and Means revenue measures

Of the 15 Democratic members, 13 sponsor relief measures. The Democratic Committee members sponsor 6 revenue bills and 35 relief bills or 41 tax reform bills all together. In the revenue area, 3 members sponsor 2 or more bills.

Of Republicans 4 of 10 (40%) sponsor no tax reform measures, relief or revenue. Six sponsor relief measures (60%). The Republican members sponsor 14 tax reform bills, all relief measures.

33% or 5 of 15 Democratic members of the House Ways and Means Committee have authored or co-authored tax reform bills producing new revenues.

10% or 1 of 10 Republican members have authored or co-authored tax reform bills producing new revenues.[1]

Democrats

15 Members total—33% or 5 of 15 sponsoring Revenue Reform.

Michigan, Griffiths, H.R. 9896.
Ohio, Vanik, H.R. 9479, 9896.
California, Corman, H.R. 12135, 12185.
Pennsylvania, Green, H.R. 9896.
Florida, Gibbons, H.R. 7585, 9896, 10339.

Republicans

10 Members total—10% or 1 of 10 sponsoring Revenue Reform:

California, Utt, H.R. 9242.[1]

[1] A minor bill to prohibit Federal Land Banks and Land Bank Associations from being a tax exempt organization.

House of Representatives—Democrats

Adams, H.R. 2250, 9975.
Addabbo, H.R. 7575, 10237, 11991.
Anderson, William, H.R. 7575.
Annunzio, H.R. 9896.
Ashley, H.R. 9896, 10765.
Barrett, H.R. 6721.
Bennett, H.R. 11353, 12256.
Bingham, H.R. 5250, 9975, 11991.
Blanton, H.R. 8367.
Blatnik, H.R. 7040.
Boland, H.R. 9896.
Brademas, H.R. 8144, 9896.
Brasco, H.R. 10205, 11991.
Brown, H.R. 9896, 5250, 1191.
Byrne, H.R. 7585.
Chisholm, H.R. 9896.
Conyers, H.R. 7575, 7585.
Culver, H.R. 4257, 7575.
Daddario, H.R. 9975.
Daniels, H.R. 1039, 9896.
Dingell, H.R. 6206, 6207, 9896.
Donohue, H.R. 7575.
Dulski, H.R. 7575, 9730, 9896.
Eckhardt, H.R. 7575.
Edwards, Don, H.R. 5250.
Eilberg, H.R. 7585.
Evans of Colorado, H.R. 4257.
Evins of Tennessee, H.R. 11017.
Farbstein, H.R. 7585, 9896.
Foley, H.R. 7575.
Ford, William, H.R. 5250.
Fraser, H.R. 7980, 9896.
Gallagher, H.R. 1119, 9896.
Gaydos, H.R. 9896.
Giaimo, H.R. 9896.
Gibbons, H.R. 7585, 9896, 10339.
Green, William, H.R. 9896.
Griffiths, H.R. 9896.
Hamilton, H.R. 4257.
Hansen, H.R. 9896.
Hathway, H.R. 7575.
Hawkins, H.R. 9975.
Helstoski, H.R. 6233, 9896.
Hicks, H.R. 9896.
Holifield, H.R. 7575.
Howard, H.R. 229, 10498.
Hungate, H.R. 9896.
Jacobs, H.R. 7575.
Joelson, H.R. 4170, 4171.
Jones, Robert, H.R. 10302.
Karth, H.R. 7045.
Koch, H.R. 7326, 7585, 10829.
Kyros, H.R. 11991.
Long, Clarence, H.R. 7585, 9896.
Lowenstein, H.R. 9563, 9852.
McCarthy, H.R. 4257, 6769, 9897.
Macdonald, H.R. 263, 6770, 9975.
Madden, H.R. 9195, 9896.
Matsunaga, H.R. 7575.
Meeds, H.R. 5250.
Mikva, H.R. 7575, 7585, 9975.
Minish, H.R. 6517.
Mink, H.R. 9975.
Monagan, H.R. 6254, 7744.
Moorhead, H.R. 5250, 9752.
Moss, H.R. 9897.
Murphy, John, H.R. 9975.
Murphy, William, H.R. 9975.
Nedzi, H.R. 7585.
O'Hara, H.R. 9975.
Obey, H.R. 10253.
Olsen, H.R. 7575, 9759.
O'Neill, H.R. 7575.
Ottinger, H.R. 307, 9975.
Patman, H.R. 7053, 7336, 11545.
Patten, H.R. 9762.
Pepper, H.R. 8621.
Pike, H.R. 7575.
Podell, H.R. 7575, 7585, 9563, 9897.
Price, Melvin, H.R. 9897.
Rees, H.R. 5250.
Reuss, H.R. 4257, 9897.
Rodino, H.R. 9975.
Rosenthal, H.R. 7585.
Roybal, H.R. 7346, 9897.
St Germain, H.R. 7575, 9897.
St. Onge, H.R. 7585, 9975.
Scheuer, H.R. 9897, 11991.
Taylor, H.R. 8537.
Tiernan, H.R. 9897, 11991.
Thompson, H.R. 7585, 9897.
Tunney, H.R. 2142.
Vanik, H.R. 9497, 9896.
Vigorito, H.R. 7585, 9897.
Wilson, Charles, H.R. 10628.
Wolff, H.R. 9897, 10524.
Wright, H.R. 7575.
Yates, H.R. 10631, 10632.
Yatron, H.R. 7575, 7585, 9975.
Zablocki, H.R. 5250.
Corman, H.R. 12135, 12185.
Hechler, H.R. 11754.

House of Representatives—Republicans

Anderson, John, H.R. 10930.
Berry, E. Y., H.R. 9270.
Blackburn, H.R. 7432.
Conte, S., H.R. 11782.
Cramer, W., H.R. 1178.
Dellenback, H.R. 7575.
Denney, H.R. 8374.
Edwards, Jack, H.R. 8157.
Gross, H.R. 1131, 8952.
Halpern, H.R. 9896.
Hastings, H.R. 7575.
Horton, H.R. 7575.
Hosmer, H.R. 7575.
Kyl, H.R. 9852.
Lujan, H.R. 11991.
Mayne, H.R. 8952.
Robison, H.R. 9975.
Roth, H.R. 11221.
Sandman, H.R. 9897.
Saylor, H.R. 345.
Scherle, H.R. 7617.
Schwengel, H.R. 10039, 10041, 10038, 10040, 10842, 8952, 9897, 10042, 10043, 10044, 10045.
Thomson, V., H.R. 8982.
Utt, H.R. 9242.
Vander Jagt, H.R. 7788, 7789.
Zwach, John, H.R. 8640.

Categories of bills considered to be revenue raising reform legislation

1. Reduce or eliminate oil depletion allowance.
2. Limit deductions attributable to farming which may be used to offset non-farm income.
3. Minimum income tax (corporations; individuals).
4. Limit on tax exempt status of charitable foundations.
5. Excess profits tax.
6. General Tax Reform (repeal: unlimited charitable reduction; stock option provisions; dividend exclusion; exemption on municipal industrial development bonds; reduction in percentage depletion rates; use of United States bonds to pay estate tax; farming deductions to pay non-farm income; 7% investment tax credit; capital gains untaxed at death; foreign oil depletion; and increase; gift tax rates to estate tax level).
7. Miscellaneous (eliminate special treatment for gains from the disposition of depreciable realty; Federal land banks not exempt from taxes.)

SENATE

All bills are those listed in the Senate Committee on Finance's Legislative Calendar for the First Session of the 91st Congress through June 6, 1969.

There are no other speeches listed in the Congressional Record dealing with tax reform other than those made by the sponsors of the bills listed here. Those Senators not listed are not on record on revenue-raising tax reform.

Total Democrats: 57; 37 Authors or Co-Authors of revenue-raising tax reform (65%).

Total Republicans: 43; 9 Authors or Co-Authors of revenue-raising tax reform (21%).

Tax reform issues producing new revenues and Senate Bills which deal with them: 15 Bills, 38% Democratic authors author 2 or more, 9% Republican authors author 2 or more; 24% Democratic Senate members author 2 or more, 2% Republican Senate members author 2 or more.

Senators authoring or co-authoring bills

Democrats

New Mexico, Anderson, S. 2277.
Indiana, Bayh, S. 500.
Nevada, Bible, S. 500.
North Dakota, Burdick, S. 500.
Nevada, Cannon, S. 500.
Idaho, Church, S. 500, 2277.
Connecticut, Dodd, S. 500.
Missouri, Eagleton, S. 500.
Arkansas, Fulbright, S. 2277.
Tennessee, Gore, S. 2091, 2103.
Alaska, Gravel, S. 2277.
Oklahoma, Harris, S. 500, 1827, 1829.
Michigan, Hart, S. 1829, 500, 1773, 1827, 2103, 2277.
Indiana, Hartke, S. 500.
Iowa, Hughes, S. 500, 2103.
Hawaii, Inouye, S. 2277.
Massachusetts, Kennedy, S. 500.
Washington, Magnuson, S. 2103.
Minnesota, McCarthy, S. 500.
Wyoming, McGee, S. 2277, 500.
South Dakota, McGovern, S. 500.
New Hampshire, McIntyre, S. 2103.
Montana, Mansfield, S. 2277, 500; Metcalf, S. 500.
Minnesota, Mondale, S. 500, 2103, 2277.
New Mexico, Montoya, S. 500.
Utah, Moss, S. 2277, 500.
Maine, Muskie, S. 500, 2103, 2277.
Wisconsin, Nelson, S. 500, 2039, 2277.
Rhode Island, Pastore, S. 2103; Pell, S. 2103.
Wisconsin, Proxmire, S. 2103.
West Virginia, Randolph, S. 2277.
Connecticut, Ribicoff, S. 2103.
Maryland, Tydings, S. 2103, 2211.
Texas, Yarborough, S. 2277, 500.
Ohio, Young, S. 500, 2103, 2277.

Republicans

Massachusetts, Brooke, S. 500.
Kentucky, Cook, S. 1560.
Michigan, Griffin, S. 1560.
Oregon, Hatfield, S. 500.
New York, Javits, S. 1522.
Iowa, Miller, S. 1560.
Kansas, Pearson, S 500.
Ohio, Saxbe, S. 500.
Delaware, Williams, S. 31, 2075, 2110.

Senate Committee on Finance

Democrats—10 Members

(7 of 10) 70% of members of committee sponsor bills:
Louisiana, Long.
New Mexico, Anderson, S. 2277.
Tennessee, Gore, S. 2091, 2103.
Georgia, Talmadge.
Minnesota, McCarthy, S. 500.
Indiana, Hartke, S. 500.
Arkansas, Fulbright, S. 2277.
Connecticut, Ribicoff, S. 2103.
Oklahoma, Harris, S. 500, 1827, 1829.
Virginia, Byrd.

Republicans—7 Members

(2 of 7) 28% of members of committee sponsor bills:
Delaware, Williams, S. 31, 2075, 2110.
Utah, Bennett.
Nebraska, Curtis.
Illinois, Dirksen.
Iowa, Miller, S. 1560.
Idaho, Jordan.
Arizona, Fannin.

Categories of bills

1. Oil Depletion Allowance—S. 31, S. 1522, S. 2091, S. 2103.
2. Investment Credit Suspension—S. 2110, S. 2039, S. 1829.
3. Minimum Tax:
A. Capital gains—S. 1773, S. 2211.
B. Percentage depletion—S. 1773, S. 2211.
C. Accelerated depreciation on real property—S. 1773, 2211.
D. Individuals—S. 1522.
E. Corporations—S. 1827, S. 2211.
F. Trusts—S. 1827, S. 2211.
G. Estates—S. 1827, S. 2211.

H. Unrealized apreciation in gifts to charity—S. 1827, 2211.

I. Exercise of qualified stock options—S. 1827, S. 2211.

J. Interest on state and local bond—S. 1827.

K. Intangible drilling and development costs—S. 1827, 2211.

4. General Tax Reform:

A. Property from descendant—S. 2039.

B. Repeal of dividend exclusion—S. 2039.

C. Repeal of corporate multiple surtax exemption—S. 2039, S. 2211.

S. 2211.

Gift tax rates—S. 2039, S. 2211.

D. Industrial development bond—S. 2039,

F. Federal bonds to pay estate taxes—S. 2039.

G. Deductions on farm income over $15,000—S. 2039, S. 2211.

5. Tax exempt status of: A. Private foundations—S. 2075.

6. Excess profits tax on corporations—S. 2277.

7. Status of Farm investments and incomes by non-farmers—S. 500, S. 1560.

A TECHNOLOGICAL ALTERNATIVE TO PESTICIDES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. HOSMER) is recognized for 15 minutes.

Mr. HOSMER. Mr. Speaker, the widespread use of DDT and other chemical pesticides, which is attracting so much public attention these days, poses a complex dilemma.

On one hand, there is little doubt that these products are causing damage—perhaps even permanent damage—to the world's fish and wildlife resources, and there is concern that man may even be endangering his own health. As we wage war on the endless varieties of insects, bacteria and other small creatures which plague man, we have unwittingly created harmful side effects.

Perhaps even half of the pesticides sprayed on crops find their way to areas for which they were not intended, affecting plants and animals that were not their original targets at all.

Yet the very tangible benefits from the use of pesticides also must be recognized. These compounds have helped man raise and protect a plentiful supply of food products all over the world. With the population explosion threatening to outstrip the world's food supply, this daily becomes a more crucial objective. It is estimated that for every dollar invested in protection by pesticides, between $4 and $5 worth of agricultural production is saved.

In addition, the use of pesticides has saved countless lives through control of malaria, cholera, typhus, Rocky Mountain spotted fever, encephalitis, and other diseases. In fact, in terms of the total production, more DDT is used by health authorities around the globe for the control of disease than is used for all agricultural purposes combined.

Clearly, then, a worthwhile national objective should be the development of economical and efficient pesticides free of the dangerous side effects which can be employed in place of DDT. The U.S. Forest Service is working toward this end with a very unlikely ally—the staff of the molecular anatomy—MAN—program at the Atomic Energy Commission's Oak Ridge National Laboratory.

Together, they are separating and purifying insect viruses—or natural pesticides—which attack only a single insect or a very few species of insects without endangering fish, higher forms of wildlife, or man.

This program was initiated in 1967 when Dr. Mauro E. Martignoni of the Pacific Northwest Forest and Range Experiment Station at Corvallis, Oreg., asked Oak Ridge to purify a particular virus known to be fatal to the caterpillar of the tussock moth, a destructive pest which kills Douglas-fir trees in that region.

Dr. Martignoni and an Oregon State University graduate student, John Carnegie, had performed a series of experiments and learned that the target virus always killed the caterpillar of the tussock moth yet was harmless to other insects. They determined that such a viral pesticide could be used without affecting valuable insects such as bees, wasps, and ladybugs.

The Oak Ridge National Laboratory has extensive experience in separating particles, based primarily on its classified work with centrifugation technology for the separation of uranium isotopes. From that work, the MAN program at Oak Ridge has developed a series of liquid zonal centrifuge systems specially designed to separate the individual particles of the human cell.

These centrifuges, in turn, led the MAN program to develop the highly successful K–11–C rotor systems which are now being used to develop super-pure human vaccines by removing the extraneous cellular material which is the cause of most unpleasant side effects of vaccinations, such as arm soreness, chills and high fever. This zonal centrifuge played a major role in the purification of the Hong Kong flu vaccine during the 1968 epidemic.

From this technological base, Dr. Norman G. Anderson and Dr. Julian Breillatt of the MAN program at Oak Ridge developed a centrifuge separation system to isolate the needed virus material from crude caterpillar homogenate in one step. Through the use of a continuous flow centrifuge rotor, similar to the ones being used by the pharmaceutical industry for human vaccines, enough purified virus was separated to justify consideration of use on a commercial scale.

Because the zonal centrifuge is so effective in producing a highly purified virus material, it is estimated that only 1 teaspoonful of viral insecticide would be required to protect 50 to 100 acres through aerial spraying. One centrifuge in a single day could produce enough material to be sprayed over 1,000 acres, whereas previous methods could produce only enough for small-scale research.

There are about 1,200 different insects which plague agriculture, and there are some 400 viruses which are known to affect these pests. Many of these viruses are specific to a single insect; others may kill five or six different but closely related species. It is believed that these insect viruses could be produced at a cost comparable to some of the newer pesticides on a cost-per-acre basis.

The material needed for the tussock moth pesticide is concentrated in particles called inclusion bodies which are located in the cells of infected tussock moth caterpillars. But since the crude caterpillar homogenate contains many unwanted bacteria, this presents an obvious danger if the virus is sprayed in watershed areas. Zonal centrifugation reduces the bacteria content from one bacterium per inclusion body in the unpurified state to one bacterium per 4 million inclusion bodies in the centrifuge-isolated material, sufficiently safe for use in watershed regions.

Protected within the inclusion body "capsule," the viruses are resistant to bacterial digestion, drying, weather extremes and moderate acid conditions.

The separation principles involved in the tussock moth experiments are now being applied to studies with inclusion bodies of the gypsy moth, European pine sawfly and bollworm. Caterpillars of all these insects are killed by specific viruses.

I am certain that all of us who are concerned with harmful side effects of DDT and other pesticides on man and wildlife will be watching for the results of this research and follow-on efforts with other natural pesticides. This is another example of the tremendous technological achievements which the Atomic Energy Commission's multidisciplinary national laboratories can produce.

NATIONAL SAFE BOATING WEEK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. CHAMBERLAIN) is recognized for 30 minutes.

Mr. CHAMBERLAIN. Mr. Speaker, one-fifth of the Nation's population participates in some form of boating each year. The number of persons enjoying our countries' waterways has been steadily increasing. It was in recognition of this vast boating public that the 85th Congress passed Public Law 85–445, calling for the annual observance of National Safe Boating Week. In accordance with this law, the President of the United States has issued the following proclamation:

A PROCLAMATION

In a time of unprecedented opportunity for leisure-time activities, more and more Americans are discovering the benefits of boating. The ever-increasing traffic on the waterways has made it imperative that all boatmen observe the basic rules of boating safety.

Commonsense and courtesy are the two foundations of boating safety. An overloaded boat, failure to heed weather warnings or the taking of other unnecessary risks can, and too often do, lead to boating tragedy. If each boatman takes simple precautions, understands the capabilities of his craft, and exercises ordinary good judgment, tragic losses can be avoided.

Recognizing the need for emphasis on boating safety, the Congress, by a Joint Resolution approved June 4, 1958 (72 Stat. 179) has requested that the President proclaim annually the week which includes July 4 as National Safe Boating Week.

Now, therefore, I, Richard Nixon, President of the United States of America, do hereby designate the week beginning June 29, 1969, as National Safe Boating Week.

I urge the public to take advantage of educational courses in boating safety, and all

those who use our waterways for boating to exercise courtesy and apply safe boating practices.

I also invite the Governors of the States and the Commonwealth of Puerto Rico and appropriate officials of all other areas under the United States flag to provide for the observance of this week.

In witness whereof, I have hereunto set my hand this third day of March, in the year of our Lord, nineteen hundred and sixty-nine and of the Independence of the United States of America the one hundred and ninety-third.

RICHARD NIXON.

SCOPE OF BOATING

The emphasis placed on boating by this proclamation is clearly necessary when we consider the scope of boating and all it encompasses. It is estimated that some 42 million persons participate in recreational boating using almost 8½ million watercraft. Nearly $4 billion were spent last year for boats, associated equipment, and services. Boating is indeed big business involving a large portion of the population.

The U.S. Coast Guard is the Federal agency charged with the responsibility for the safety of the boating public on our navigable waters. The States, Coast Guard Auxiliary, U.S. power squadrons, American National Red Cross, National Safety Council, Boy Scouts of America, and many other organizations assist the Coast Guard in this enormous task by providing a most essential ingredient—education.

While education of the boatman is probably the most effective safety tool, it is by no means the only one. The Coast Guard enforces the various safety requirements called for by law. Unfortunately, the law in many cases is too specific to allow flexibility in adapting to new technological developments. Perhaps more important is that the law in almost every case places compliance responsibility on the boat owner or operator. Many boating experts believe that the boatman should reasonably expect that a boat he buys will meet established minimum safety standards. Present boating laws do not permit this.

On May 1 the Coast Guard released its annual boating statistics report as required by the Federal Boating Act of 1958. This act provides for a standardized system for the numbering and identification of undocumented vessels, including pleasure boats of more than 10 horsepower, uniform accident reporting, and participation in these programs by the States. Since the effective date of this legislation, April 1, 1960, every jurisdiction but the States of Alaska, New Hampshire, Washington, and the District of Columbia have provided for numbering systems which have been approved by the U.S. Coast Guard and meet the standards set forth in this act.

There was a slight increase in boating fatalities in 1968—1,342 as compared to 1,312 in 1967. In its annual report, the Coast Guard revealed that 22.2 percent, or 298, of the boating accident deaths last year involved watercraft not required by Federal law to carry lifesaving devices such as rowboats, canoes, sailboats, rafts, and other small craft. During the same period the boats numbered in all States and territorial possessions of the United States reached an all-time high of over 4.7 million.

Capsizings, as in past years, still remain responsible for the largest number of recorded deaths. In 1968, capsizings resulted in 45 percent of the total number of lives lost in boating accidents. This figure is about the same as the 1967 percentage. Of the 1,342 fatalities, drowning accounted for 1,203 victims, and 828 of the drowned either did not have or did not use lifesaving devices.

Last year a total of 5,427 vessels were involved in 4,195 boating accidents involving at least $100 property damage, an injury, or death, this is 82 more than in 1967; 1,062 of these vessels were involved in fatal accidents, while 879 were in accidents resulting in injuries. The amount of property damage was over $6.6 million.

Since 1964 the estimated number of boats has grown 9.6 percent while the number of accidents has increased 7.2 percent. During this same 5-year period fatalities increased 12.6 percent. The increases shown by these figures, while not as alarming as other more dramatic boating statistics that have been used, are of definite concern to the Coast Guard.

What is significant to me is that the number of fatalities, accidents, and injuries has remained relatively small over the past few year even though the number of boats in operation has increased appreciably. This situation is probably due to the dedicated efforts of the Coast Guard, the States, and the many fine volunteer organizations working hard to keep our waters safe. I hope this trend continues as the number of new boatmen increases, but unless additional resources are made available it is unlikely.

COAST GUARD BOATING SAFETY ACTIVITIES

An indication of the increased importance the Coast Guard is placing on the problems of boating safety is the reorganization which took place within the service in 1968. An office of Boating Safety was created in Coast Guard Headquarters with a flag officer at its head. Increased organizational emphasis also took place at district and local command levels.

Several pilot programs have been initiated, all designed to better provide boatmen with valuable educational materials and information. Perhaps the most promising of these is the boating safety center concept. The centers provide a central location where the boatman can obtain environmental information, a safety check of his boat, information on local conditions, legal requirements, and advice from the experienced and knowledgeable.

To have really safe boating, the millions of individuals comprising the boating public must be reached. In an attempt to reach these boatmen, the Coast Guard is also continuing its present programs of education and persuasion. Through boating films, safety publications, Coast Guard auxiliary programs, and utilization of boating safety detachments in public education activities, the Coast Guard takes advantage of every opportunity to stress the practical aspects of boating safety. The Coast Guard also has close coordination with the boating industry, the National Safety Council, and other such vital organizations. The safety patrol concept in recreational boating will continue to be stressed on all waterfronts this year. In the boating safety detachments, the Coast Guard has on-the-move safety patrols which visit navigable lakes, rivers, and other waters where boating activities are concentrated. The safety patrol is a roving waterborne patrol of boating areas for the purpose of deterring, detecting, and reporting unsafe practices. At the present time, there are 41 boating safety detachments and 164 shore stations which form the backbone of the safety patrol. More boating safety detachments are planned. These roving units have an effective broad impact because of their mobility and flexibility. Their primary mission is to minimize unsafe practices such as speeding in congested areas, overloading, improper loading, operating while under the influence of liquor, operating in swimming areas, and operating in posted dangerous waters through education and enforcement. In keeping with this mission, the policy of boarding for cause, begun in 1964, was reemphasized last year. The effectiveness of these mobile units is not to be measured in the number of boardings. The measurement of their effectiveness will be whether or not our waterways will be made any safer; whether the boating public is better educated in safe boating procedures by the apprehension of the reckless or negligent operator; and finally whether the accident rate decreases. The Coast Guard will educate, persuade, and enforce the law. Boating accidents and fatalities must be reduced.

The Committee on Governmental Operations has recommended that the Coast Guard triple the number of boating safety detachments in the next fiscal year. I strongly support this recommendation and urge those responsible to make every effort to increase the number of these detachments so vital to the boating safety program.

BOATING SAFETY A JOINT EFFORT

The Coast Guard auxiliary is extremely active in the education of the boating public in safe boating practices. As a voluntary nonmilitary organization, the auxiliarists' purpose is to promote safety in recreational boating. On June 23, the auxiliary observed its 30th anniversary. I congratulate the auxiliary on its dedicated and unselfish efforts to keep America's pleasure boaters safe. Its 26,000 members are experienced boatmen, amateur radio operators, or licensed aircraft pilots. The three basic programs carried out by the auxiliary are the courtesy motorboat examination, public instruction, and operations; 164,905 persons were instructed in three safe boating courses last year; 180,604 courtesy motorboat examinations were performed; over 4,000 regattas were patrolled; and almost 9,000 cases of assistance were recorded.

The States are also very much involved in boating safety and very concerned about what the future will bring.

Educational efforts by the States are increasing as rapidly as limited funds permit. The Coast Guard works closely with the States on every aspect of boating safety. This can be easily seen in the number of State jurisdictions—36 with five pending—that have signed cooperative agreements with the Coast Guard. These agreements directly affect the coordination and effectiveness of safety patrols and enforcement activities.

The encouragement of uniformity and comity among the different States in regards to these boating laws is of vital importance to everyone involved with boating. The Coast Guard encourages this, and the Congress, in the Federal Boating Act of 1958, endorsed this principle. The mechanics of uniformity however, are often complicated by the inadequacies of existing Federal laws.

NATIONAL SAFE BOATING WEEK

National Safe Boating Week—focusing attention upon the need of pleasure boatmen to know and comply with safe boating practices and regulations—begins June 29 this year as stated in the proclamation. Its objective is to emphasize efforts urging the more than 42 million people using boats on our waters to help "keep boating safe"; to teach important fundamentals of safe boating to newcomers; and to remind experienced operators as well as the novice to practice commonsense and courtesy afloat. The basic theme for this year's observance of the week is "Safety first, the golden rule of boating."

National Safe Boating Week also pays tribute to the many persons and organizations who have contributed toward maintaining boating's fine safety record. More than 1,500 Coast Guard auxiliary flotillas, U.S. power squadrons, boating clubs, and other boating and safety minded organizations are expected to participate in the National Safe Boating Week observance in communities throughout the country.

This year the National Safe Boating Committee distributed 7,500 promotional kits to local organizations all over the country. Promotional material has also been distributed to practically every news media organization. The Committee includes representatives from the U.S. Coast Guard, the U.S. Coast Guard Auxiliary, the American Boat and Yacht Council, the American National Red Cross, the American Power Boat Association, the American Water Ski Association, the Boatowners Association of the United States, the Boatowners Council of America, the Boy Scouts of America, the Corps of Engineers, the National Association of Engine and Boat Manufacturers, the National Association of State Boating Law Administrators, the National Boating Federation, the National Fire Protection Association, the National Safe Boating Association, the National Safety Council, the Outboard Boating Club of America, the U.S. Power Squadrons, the Yacht Safety Bureau, and the Young Men's Christian Association. To all of these organizations safety in boating is as important as it is to the individual and his family. To all of those national and local committees actively participating in National Safe Boating Week, I extend my congratulations. I urge all others interested in boating safety to join in making this an even more effective National Safe Boating Week, I extend my congratulations. I urge all others interested in boating safety to join in making this an even more effective National Safe Boating Week than the successful ones in the past. Let us continue the good practices set forth by National Safe Boating Week throughout the year.

FUTURE EMPHASIS

One final point, Mr. Speaker, as I have mentioned previously, there are several inadequacies in existing boating law. I know that the esteemed gentleman from Maryland (Mr. GARMATZ), and his committee are working on a new bill to remedy these defects. I support those efforts and urge that every Member of Congress do likewise when this legislation is offered for our attention.

HUNGARIAN-RUMANIAN BOUNDARY DISPUTE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. HALPERN) is recognized for 10 minutes.

Mr. HALPERN. Mr. Speaker, some interesting aspects of the issue of ethnic minorities and the Hungarian-Rumanian boundary dispute recently came to my attention. It raised some serious questions that prompted me to look further into the background of this issue. Because of the international interest in this issue and particularly the interest of vast segments of our own American population, I bring to the attention of the American people some research I have completed.

Mr. Speaker, the fate of the Hungarian minority in Rumania has been a frequent subject of congressional debate. But too often, concern for the plight of this minority has prevented an objective analysis of the question. The majority of studies confuse sympathy for a displaced minority with impartial study of the circumstance of the border revision. The perceptive speech of my distinguished colleague from Wisconsin (Mr. O'KONSKI), delivered April 30, 1965, is an exception.

After belonging to Hungary for a thousand years, Transylvania and adjoining areas were annexed to Rumania in 1919. The issue deserves reexamination. The Hungarian minority has been a burning issue in the Rumanian press for 50 years. For example, the November 28, 1968, issue of Tribuna of Cluj—Kolozsvar—carried an article by Prof. Keith Hitchins of the University of Illinois. The study, titled "American Policy and Transylvania's Union With Rumania in 1918," is a biased account of the role of the United States in the annexation of Transylvania by Rumania. Dr. Hitchins mentions the American loan of armaments and food to Rumania during World War I. But his interpretation of U.S. President Wilson's position on Transylvania's annexation is slanted by his judgment of behind-the-scenes American diplomacy preliminary to the Paris Peace Conference of 1919.

The American position at Paris must be clarified. The Rumanian press currently charges that at the Paris Peace Conference, the United States sponsored the subjugation of ethnic minorities by newly created states. There is no basis for this argument. The correspondence of delegates and the records of the Supreme Council of the Conference and the Council of Foreign Ministers disprove this interpretation. There is evidence in these documents that the United States supported national self-determination for ethnic minorities.

First, let us examine the position of Professor Coolidge, a member of the Special Commission appointed by Colonel House under the direction of President Wilson. This group of scholars was assigned to prepare material for the coming Peace Conference. It forged Wilson's famous 14 points. On November 16, 1918, Coolidge was appointed Special Assistant to the Department of State and dispatched on a fact-finding mission to Eastern Europe. That Coolidge was amply qualified for his role has been attested by his colleague at Harvard, Prof. Robert Howard Lord—"Archibald Cary Collidge: His Life and His Letters," page 192:

> Collidge's preparation for his work during the Peace Conference was, of course, the preceding thirty years of his life. No other American had specialized so much upon history and politics, the territorial and nationality questions of those regions of Central and Eastern Europe, that were to furnish the Conference with most of its hardest problems. By study and travel, judgment and insight, by his keen sense of justice and his sure instinct as to what was practically possible, he was admirably equipped to be of service to our government during the peace making.

Professor Coolidge surveyed the situation in Hungary and reported his findings to President Wilson. Coolidge opposed the splintering of Transylvania from Hungary. He recommended to Wilson the preservation of Hungary's historical economic and ethnic integrity. The text of the communication follows:

BUDAPEST,
January 19, 1919.

Re geographic and economic unity of Hungary.

The AMERICAN COMMISSION TO NEGOTIATE PEACE,
4, Place de la Concorde,
Paris.

SIRS: I have the honor to report that in support of their statements that the kingdom of Hungary forms a natural geographic and economic unity to a greater extent than any other state in Europe except Great Britain . . . The Hungarian state is made up of the basin of the middle Danube and its tributaries and of the surrounding hills and mountains. On the north, east and much of the south the frontiers of the wild Carpathians and of the Transylvanian Alps are about as good as could be desired. In the south until the loss of Croatia and Slovonia it has also been excellent. On the west, too, it is satisfactory. Hungary consists of flat, fertile plains and of the highlands about them. All the rivers (with some slight exceptions in Transylvania) ultimately flow into the Danube, which is thus the central artery reached by many tributaries. This great common river system now more than ever needs treatment as a whole. For instance, the Danube and its tributaries are subject to sudden rise and fall. What is needed is an elaborate storage system by which water should be preserved some times in one part, some times in another, and then used later in such measure as circum-

stances may require; but for such a system a central management is necessary.

The Hungarian plains are rich, flat lands, which in former times were a natural resort of nomad and pastoral peoples like the Magyars, and the Huns and Avars before them. Today they are chiefly devoted to agriculture and provide fine crops, although these often suffer severely of drought. The Piedmont or region of the lower hills seems to integrate rather than to separate the plains from the mountains, and it is here that many of the more important cities are to be found, cities which from their very position usually have a population belonging to several nationalities. In the more mountainous regions we find all the forests, all the mineral wealth and all the future considerable possibilities of water-power, of which the war has here as elsewhere shown the need. As the Magyars have been the men of the plains, in the mountains we find predominating in numbers Slovaks, Ruthenians and Rumanians (except in the seclar (Szeckler) portion of Transylvania). The Germans have been numerous in the cities and are to be found scattered about in various places, but throughout the whole country the chief landowners have been Magyars, and they claim to have lived on good terms with the peasantry.

Thanks to this diversity in the character of the different regions, Hungary has been from the earliest times a singularly self-sufficing state. The plains have furnished the food, the hills have furnished the wood and the mineral wealth, the Danube and its tributaries have brought the people together. The different parts of the country have been attached to one another by the countless ties that come from having formed parts of the same unity through long ages. With the development of modern industry and communication the unity of the Kingdom has been still further strengthened. In recent years mining has been carried on a much larger scale, and many new manufactories have arisen and thrived. These establishments are to be found in the hill regions, that is, the borderlands, but they have been financed and managed from Budapest, which has grown in the last half century from a comparatively small town into one of the capitals of the world, with a population of nearly a million people before the war. Here is the center for the railroads, the seat of the Government, the winter home of people from every part of the country, the great focus of national life. Even distant Transylvania is and always has been economically found more closely connected with the central plain into which most of its waters flow than it has with Rumania on the other side of the mountains.

As a final argument the Hungarians point to the historic unity of their state and say it could never have been preserved through all the ups and downs of history of a thousand years, despite the variety of nationalities that have lived in it, if its continuity had not been in the nature of things in obedience to geographic law.

We can understand then what a violent rupture in the economic life of the country has been produced by the occupation, whether temporary or not, of almost the whole Hungarian peripheral, by the Czecho-Slovaks, the Rumanians and the Serbians, and in their severing of all relations between the lands they have occupied and the heart of the country. We can appreciate, too, the anguish of people here when they face the possibility of a Hungary reduced to the dimensions of the present unoccupied territory, without wood, without iron, without coal, without manufactories, nothing but an agricultural region and a great city condemned to certain ruin.

I have the honor to be, Sirs,

Your obedient servant,

(Signed) ARCHIBALD CARY COOLIDGE.

Rumanians overlook this important document. They often refer to a note of President Wilson's to the Rumanian Government dated November 5, 1918, to support their contention that the transfer of the Transylvanian-Eastern Hungarian territories was engineered by the United States. They quote from the context:

> The United States will not neglect at the proper time to exert its influence that the just political and territorial rights of the Rumanian people may be obtained and made secure from foreign aggression.

Rumanians claim that this vague wording supports the secret Treaty of London of 1916, between England and France. The terms of the private agreement transfer more than 2 million Hungarians into the enlarged Rumanian state.[1]

Turning to events in the territories themselves, Rumanians allege that the local citizens voted to belong to Rumania. They support this argument with the results of the plebescite at Alba Julia—Gyulafehervar—of December 1, 1918, and of Transylvanian Saxons on January 8, 1919, at Medias—Medgyes. They assert that the plebescite sanctioned the desire of these peoples to be incorporated into Rumania by exercising their right to national self-determination. However, the Rumanians fail to mention that the majority was denied free choice. A recent analysis by Prof. Sherman Davis Spector of Russell Sage College, who is very sympathetic to the Rumanians, analyzes the element of coercion—"Rumania at the Peace Conference of Paris," New York: Bookman Associates, 1962, pages 70–71:

> The final act was at Medias in Transylvania on January 8 when the Saxon Germans requested incorporation into Rumania. This action and those . . . in the Bukovina and Bessarabia were carried out after Rumanian troops had occupied the regions . . . Rumanian troops seized most of Transylvania by the end of December. These moves raise the question: were the acts of union spontaneous, or were they arranged under the menacing or protecting guns of the Rumanian army?

The advance of the Rumanian Army into Transylvania was an illegal act, precluded by the Belgrade Armistice of November 13, 1918, concluded between Hungary and the Allied Powers. The resistance of Hungarian troops was overcome by the Rumanians with French connivance. The Rumanian aggression was condemned by the declaration of the Supreme Council of January 24, 1919. The document was personally drafted by President Wilson, who warned:

> Possession gained by force will seriously prejudice the claims of those who use such means. It will create the presumption that those who employ force doubt the justice and validity of their claims and purpose to substitute possession for proof of right and set up sovereignty by coercion rather than by racial or national preferences or natural association. They thus put a cloud upon every evidence of title they may afterwards allege and indicate their distrust of the Conference itself. (*Foreign Relations of the United States. The Paris Peace Conference 1919*, Vol. III, p. 715.)

The Rumanians had objectives other than securing the territories claimed. A secondary objective was to discredit the pro-Allied Karolyi government. By violating the Belgrade Armistice of November 13, Rumania wanted to prove to the Hungarians that they could not rely for protection on the Allied Powers. They wanted to demonstrate that they would not treat the Hungarians as a vanquished minority, but would welcome them into the Rumanian fold. If Hungarian hopes in the Allies were dashed, the current anti-Allied Bolshevik propaganda would find a fertile soil in Hungary. Rumania planned to turn this Bolshevik appeal against the Hungarians at the Peace Conference. Rumania encouraged the Allies to revise the boundary in her favor by placing the Hungarian Karolyi regime in an untenable position. The Bolsheviks supported Rumania's preventive action.

Professor Coolidge's report from Budapest, No. 26 of January 19, 1919, summarizes this insoluble dilemma of the Karolyi government resulting from Rumanian pressure. Both Coolidge and Wilson condemned Rumania's measures. Nevertheless, the American delegation to the Committee for the Study of Territorial Questions Relating to Rumania and Yugoslavia supported with limitations the majority of Rumanian claims. This factor is explained by the biased Rumanian presentation of facts to the Committee and the Supreme Council. The Hungarian Government was prevented from speaking in its own behalf.

The Rumanian barrage was led by Ion Bratianu, the head of the Rumanian peace delegation to Paris. On February 1, 1919, he told the Supreme Council that there were 2.5 million Rumanians and 1 million Hungarians in Transylvania proper according to the 1910 Hungarian census. However, the correct figures of the 1910 Hungarian census were 918,-217 Hungarians and 1,472,021 Rumanians in Transylvania proper. Mr. Bratianu conveniently added 1 million Rumanians to the figures in order to support his request for the annexation of Transylvania to Rumania. The area finally awarded to Rumania in the Treaty of Trianon was somewhat smaller than the territories requested by Mr. Bratianu. According to the 1910 census there were 1,704,851 Hungarians, 2,-800,073 Rumanians and 559,824 Germans in the territory. Mr. Bratianu stated before the Supreme Council that the population of the land demanded by Rumania included 55 percent Rumanians and 23 percent Hungarians. Again his figures were grossly incorrect. Hardly 50 percent of the population was Rumanian and over 36 percent Hungarian in the area delineated by the London Treaty of 1916.

Mr. Bratianu went on to assail the 1910 Hungarian census as untrustworthy, and asserted:

> If an exact census could be taken, 2,900,-000 Rumanians and 687,000 Magyars, or 72 percent and 15 percent, respectively, of the

---

[1] In referring to the ambiguous statement above, Rumanians obscure the more basic tenets of Wilsonian democracy. The Secret Treaty of London of 1916 conflicts with Wilson's belief in "open covenants openly arrived at."

population would be found to be the exact figures. (Excerpts from the Minutes of the Supreme Council, Held on February 1, 1919; Rumanian Territorial Claims.)

Again Bratianu was in error. It should be mentioned that the 1930 Rumanian census showed 826,796 Hungarians and 1,657,923 Rumanians in Transylvania proper despite the expatriation or expulsion of 197,000 Hungarians and the influx of sizable Rumanian masses from the other parts of the Rumanian Kingdom into Transylvania.

Fearful that the Allies might not consider the Rumanian numerical superiority large enough, Mr. Bratianu cited "the presence of near the Moldavian frontier, a race related to the Magyars numbering 450,000." Of course, these, the Szekelys, were really Hungarians who had been pro-Magyar in language and loyalty since the 12th century.

Yet Bratianu based his argument on the threat of anarchy in Hungary from Bolshevik influence. He stated:

In the territories not occupied by Rumania . . . conditions were very serious owing to the enemy having organized a violent agitation on Bolshevik lines. The division of wealth and the abolition of rank had been promised; Wilson's policy had been proclaimed to be nothing but a capitalist policy, people had been told to kill officers and to do away with the governing classes. (*Ibid.*)

Bratianu was not alone in warning of the danger of Bolshevik takeover in Hungary. Archibald Coolidge cautioned that, if continued, the present Allied policies and the Rumanian occupation would lead to the fall of the Karolyi government. George Creel, the Chairman of the Committee of Public Information, the predecessor of the OWI of World War II, was sent to Hungary in early 1919. His report to the American delegation is described in his memoirs, "How We Advertised America," New York: Harper & Bros., 1920, pages 423–424:

The Hungarian situation was deplorable to the last degree. Count Karolyi was in the President's chair, but it was plain that he could not last more than a couple of weeks unless the Allies decided upon some helpful action on his behalf. It was Karolyi who had agreed to the Franchet d'Esperey armistice, and it was the provisions of this armistice, that were now being violated daily. On three sides the Czechs, the Jugoslavs and the Serbs were making steady encroachments while on the fourth side the Rumanians were sweeping forward in utter disregard of what should have been sacred agreements. The food situation was also reaching a crisis and Bela Kuhn, plentifully supplied with Bolshevik money, was preaching the gospel of a new world.

The whole thing was tragic in the extreme . . . All that I could do was to send an instant report to Paris, outlining the situation and it was this report that brought a declaration from the Peace Conference to the effect that the boundary-lines laid down by Francet d'Esperey must be respected. This helped tremendously for the moment, but as nothing was done to give force to the declaration, things became worse than before and in the course of four weeks Karolyi was deposed and Bela Kuhn rose to power.

The Rumanian advance into Hungary was closely related to the strength of bolshevism in Hungary and the weakness of its Government. But the Bolshevik Party of Hungary numbered not more than 4,000 or 5,000 on February 1, 1919, and alone could not have exercised the great popularity ascribed to it by Bratianu. In spite of its limited membership, the Hungarian Bolshevik Party took power March 21, 1919—Rudolf Tokes, "Bela Kuhn and the Hungarian Soviet Republic," New York: Praeger, 1967, page 109. Such a small group could have never assumed power without the complete breakdown of governmental authority and the despair of the majority Socialists in the Allied inaction. Rumania precipitated the coup by having occupied, by March 21, most of the territory later allotted to it in Paris, or about one-third of historic Hungary. The appeal of communism was in fact very weak, especially in eastern Hungary, the area of interest to Rumania. No distribution of wealth had occurred, except for a moderate land reform. The Karolyi government had continued to appeal to the Wilsonian principles to its last day of rule. Not even the Social Democrats denounced the 14 points as a "capitalist" policy. Rather, Mr. Bratianu consciously sabotaged the Karolyi regime in the hope of a Bolshevik takeover in Hungary which would permit Rumania to occupy all claimed territories under the guise of "liberating" them from bolshevism. Under the impact of a probable Bolshevik takeover, the Supreme Council accepted the proposal of its committee for "the establishment of a neutral zone between the two proposed lines, to be occupied by Allied troops with a view of preventing the spreading of bolshevism, which was prevalent in Hungary."—Excerpts from the minutes of the meeting of the Supreme Council, held on February 21, 1919.

This resolution compromised Rumanian interests. Bratianu feared that the western delimitation of the neutral zone along the line promised to Rumania in the 1916 London Treaty would breed irredentism. It would be assumed that the final frontier was the western, rather than eastern end of the neutral zone. Bratianu suspected that the result would be an attempted, or completed Bolshevik takeover. On the other hand, both the Council decision and the occupation worked for Bratianu. In either case, he could prove his accusations about bolshevism in Hungary and appear the savior of democracy and Christianity.

Rumanian efforts were successful. The De Lobit Note, based on the decision of the Supreme Council of February 27, 1919, brought down the Karolyi regime, leading to the Social Democratic-Bolshevki coalition of March 21, 1919, in an Hungarian Soviet Republic, and rejected the terms of the Supreme Council. Exploiting the political instability in Budapest, Rumania renewed her military offensive April 16 and quickly occupied the Eastern Hungarian territories.

In the meantime negotiations about the frontiers were proceeding in the Committee. The Bolshevik coup had worked to Rumanian advantage. With Hungary turning Bolshevik, there was little opposition to allotting Transylvania proper to Rumania despite the protest of the Hungarian Transylvanians against the annexation and the belated accession of the Saxons to the annexation. The eminent Oxford historian of the era, C. A. Macartney, estimates that in a straight plebiscite the Rumanians would not have polled more than 60 percent in Transylvania proper. This plurality would not have been sufficient for annexation but would have led to partition similar to the 60–40 results of the Silesian plebiscite in 1921, which led to a partition of that province between Germany and Poland.

The American delegation was quick to recognize the untenability of the "neutral zone" decision. General Tasker Bliss criticized the decision on a number of counts. On March 27 he warned President Wilson ex post facto:

The present conditions in Hungary are the direct result of the action of the Supreme Council on February 26, 1919. That act, therefore, was politically unwise. It cannot be justified morally before the people of the United States . . . The line of the neutral zone which had been drawn was absolutely unjust, and we should not make matters worse by enforcing an extremely unjust decision by force of arms. (D. Miller, *My Diary at the Conference of Paris with Documents*, New York: Appeal, 1924; VII, pp. 259–261.

Bliss argued further that the entire zone was ethnically Hungarian. He felt that by changing the demarcation line, the Allies would sever a bond with Hungary established at the Belgrade Armistice of November 13, 1918. Bliss feared lest the Hungarians regard the demarcation line as validating Rumanian claims to the 1916 London Treaty.

However, the objections of the American delegates had little impact on the Council. For several reasons, the survival of bolshevism in Hungary overshadowed their views during the critical negotiations in the Committee in April and before the Supreme Council on May 8, 1919. First, neither the American, nor the other members of the Committee were aware that in practice they were drawing the final frontiers and that they were Hungary's court of last resort. The position of the delegates varied. Charles Seymour and Prof. Clive Day of the American delegation were more willing to accept compromises which they hoped would be modified in the Council. The French generally pressed for the London Treaty frontiers. The British and Italians were less adamant than the French. Although a compromise resulted in a partial revision of the boundary, the ethnic division between Hungarians and Rumanians was wholly disregarded.

In the report of the Commission, it was admitted that the nationality distribution was not one of the criteria used in defining the frontier. The account states that Magyar towns surrounded by Rumanian country districts were allotted to Rumania. But the report failed to mention that these were usually Magyar towns surrounded in the east by Rumanian, and in the west by Hungarian country districts. Five cities, with populations ranging from 30,000 to 75,000 fell into this category. Rumania was given the outlets to the valleys of the plain, and a railway connecting these outlets with each other and with the Danube. This meant again the inclusion of a long and narrow strip of technically Hungarian areas into Rumania. Finally, the Committee consid-

ered it advisable to facilitate the junction of the railways on the plains with the railway system of other Allied countries, which meant that the northern Banat area with its mixed Hungarian-German population was given to Rumania.

The U.S. position at the proceedings favored an ethnic division. At the May 8, 1919, meeting of the Supreme Council, U.S. Secretary of State Lansing asked where the ethnic line would be. Mr. Tardieu, the French Chairman of the Committee assured him that only in some cases would it lie "20 kilometers" to the east and pretended that such a line would cut railway lines and continuous communications. Lansing persisted, asking how many Hungarians would be placed under Rumanian rule and how many Rumanians under Hungarian rule. Tardieu estimated their respective numbers to 600,000 and 25,000. However, the actual number of Hungarians involved was closer to 1.7 million than to 600,000. Secretary Lansing protested:

> This distribution does not appear very just; in every case the decision seemed to have been given against the Hungarians. (Excerpts from the Minutes of the Meeting of the Supreme Council, Held on May 8, 1919.)

The frontiers proposed by the committee were finally adopted by the Council of the Ten on May 12, 1919. The decision was communicated to Rumania and Hungary following the Council of Foreign Ministers meeting of June 12, 1919. The objections of Lansing and Bratianu to the frontier were overruled.

It can only be concluded that the United States consistently opposed the present Rumanian-Hungarian boundary. While sympathetic to Rumanian demands for national self-determination, all American parties to the decree of May 12, 1919, favored a decision based on the interests of the displaced ethnic minority. At the second Paris Peace Conference of 1946, the American delegation again raised the issue of the contiguous Hungarian areas. However, Russian opposition at this time made it impossible to maintain a revisionist position. The correct demographic statistics were disregarded by the committee and misrepresented by the Rumanian claimants as well as by the French chairman of the committee. The American delegation was deliberately misled as to the true ethnic distribution of these areas. Only American pressure prevented an even further westward push of the Rumanian frontier resulting in the inclusion of another 500,000 Hungarians into the Rumanian state.

American public opinion opposed the transfer to Rumania of the Hungarian minority. The country was still sympathetic to the people of Luis Kossuth, the Hungarian nationalist famous for his role in the Hungarian revolt of 1848. Shortly after the declaration of war against Austria-Hungary, New York Representative—and later mayor—Fiorello LaGuardia addressed the House of Representatives on July 23, 1917, as follows:

> I know that the sympathies of the true Hungarian people are entirely with our cause. They are a liberty-loving people with a glorious history. There is no poeple in this world that could do more to bring this conflict to an end that the Hungarian people . . . It is advisible and prudent that we give all the moral support we can . . . I am sure the lesson of Kossuth, the great Hungarian liberator, is not forgotten.

The settlement of the boundary dispute in Rumania's favor, then, cannot be attributed to U.S. promotion of unjust Rumanian claims. Other factors are to blame. These include Bratianu's intrigues at the negotiations and the Rumanian invasion of the territory in question. The Bela Kun interlude blocked the interests of the population of the transferred territory. Although Bolshevik rule lasted only 133 days, the coup occurred in the midst of the boundary negotiations. The United States was not involved in these events. While it could not control internal Hungarian developments, the United States consistently supported national self-determination in the Hungarian-Rumanian boundary dispute.

McCARTHY DISPUTES KEY SECTION OF NATIONAL ACADEMY OF SCIENCES POISON GAS DISPOSAL REPORT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. McCARTHY) is recognized for 30 minutes.

Mr. McCARTHY. Mr. Speaker, yesterday the Department of Defense received the report of the National Academy of Sciences Committee on the U.S. Army's plans for disposal of large quantities of poison gas. This report, prepared by a committee of the Nation's top scientists and chaired by Dr. George B. Kistiakowsky, recommends that most of the gas be rendered harmless at the Army arsenals and depots where it is now stored.

I wish to commend the National Academy of Sciences committee for its thorough and informed study of this problem. The committee brought together the scientific and engineering disciplines needed to consider a difficult assignment. The committee applied its knowledge to the problem and has made recomendations with which I generally concur.

The National Academy of Sciences panel has recommended that the 21,000 M–34 Air Force nerve gas bombs be destroyed at the Rocky Mountain Arsenal or at the nearby Tooele Army Depot. They point out that the dangers of moving this gas by rail and of contaminating the Atlantic Ocean at the dumping spot are too great to warrant the risk. I agree.

The panel recommended that the 12,600 1-ton tanks filled with mustard gas be unloaded and burned at the Army installations where it is currently stored. The panel warned against the possible dangers to the ecology of the Atlantic Ocean that might result from large-scale dumping of this highly toxic gas. I agree.

The NAS committee recommended that a special committee, including ballistics experts, be convened by the U.S. Army to consider whether there is a practical way of disposing of defective M–55 Air Force nerve gas rockets now encased in cement. These rockets pose a difficult disposal problem. If it is absolutely necessary, the committee recommends taking it to either Earle Naval Ammunition Depot, N.J., or the Naval Weapons Station, Charleston, S.C., for burial at sea.

Here is where I disagree.

I urge that every conceivable means of disposing of these rockets at the Anniston Army Depot and the Blue Grass Army Depot be studied. An appropriate method most certainly can be found without disposing of them at sea. The sea disposal plan would require that the trains be given exclusive right-of-way on their trip to the sea. State and local health officials do not have the expertise to respond appropriately if there is an emergency.

The committee also made other recommendations relating to the disposal of contaminated containers and tear gas that seem appropriate.

The findings of the National Academy of Sciences committee on the U.S. Army's plan to dispose of this poison gas confirm my original suspicions that the movement of these deadly weapons of war across the country by rail and their subsequent dumping in the Atlantic Ocean was dangerous to the public and to the environment.

Their scientific expertise has pointed the way to a much safer way to dispose of these poisons.

Today the Defense Department announced it will follow the recommendations of the National Academy of Sciences committee. I applaud this action but reiterate the need to find an acceptable method of disposing of the M–55 rockets.

I insert in the RECORD for the information of my colleagues the report of Dr. Kistiakowsky's committee:

NATIONAL ACADEMY OF SCIENCES,
Washington, D.C., June 25, 1969.

Dr. JOHN S. FOSTER, Jr.,
Director, Office of Defense Research and Engineering, Department of Defense, Washington, D.C.

DEAR JOHNNY: I transmit to you herewith a report prepared by a committee I appointed on behalf of the National Academy of Sciences, in accordance with your request of May 14, to give technical advice on a plan developed by the Department of Defense and alternate plans, for the disposal of certain overage and surplus chemical warfare agents and munitions. The members of the committee were selected to bring a broad range of relevant expert scientific and engineering knowledge to bear on this matter, including chemistry, biology, toxicology, physiology, and oceanography, as well as practical experience in the manufacture, handling, transportation, and disposal of hazardous materials, including explosives and chemical warfare agents.

I believe you will agree with me that the committee should be commended for the intensive study they have been able to give to this complex problem, in the interest of public service, on such short notice. I am confident the unanimous conclusions they have reached represent the best judgment of the scientific and engineering community, and trust their recommendations will be helpful to you in deciding upon a course of action.

Sincerely yours,

FREDERICK SEITZ,
President.

DISPOSAL HAZARDS OF CERTAIN CHEMICAL WARFARE AGENTS AND MUNITIONS

(Prepared by an ad hoc advisory committee of the National Academy of Sciences)

This Committee was appointed by the President of the National Academy of Sciences in response to a request of May 14,

1969 from Dr. J. S. Foster, Jr., Director of Defense Research and Engineering, Department of Defense, for an assessment of hazards involved in the execution of "Operation Chase" (and alternate plans) for the disposal of certain surplus chemical warfare stocks of the U.S. Army. Dr. Foster noted that, because of seasonal considerations, an early response would be most helpful.

This limitation on time precluded an exhaustive study by the Committee of all alternatives and factors involved. Prior to meeting, the Committee reviewed printed material submitted by the Department of Defense relating to Operation Chase, and additional relevant material from a variety of other sources. Individual members of the Committee studied the records of pertinent hearings before the Subcommittee on International Organizations and Movements of the Committee on Foreign Affairs and the Subcommittee on Conservation and Natural Resources of the Committee on Government Operations of the U.S. House of Representatives, and consulted with a representative of the Colorado Committee for Environmental Information and with Mr. Louis Garona of Edgewood Arsenal. Various members visited Edgewood Arsenal, Rocky Mountain Arsenal, and Naval Amunition Depot Earle (including a flight over the adjoining territory and the tracks of the Central Railroad of New Jersey to the city of Elizabeth). Personnel at these facilities were cordial and cooperative, and discussions with them were most helpful in providing the Committee with background information based upon experience in handling the agents and munitions concerned.

The committee met subsequently for two full days of briefings and executive sessions. Briefings, with responses to questions from the Committee, were given on various aspects of Operation Chase and alternate methods of disposal by the following personnel from the Department of Defense:

Army: Mr. Samuel Berlin, Mr. Paul R. Chagnon, Mr. S. Eckhaus, Dr. Joseph Epstein, Mr. Norman G. Hansen, Mr. Robert Hurt, Mr. E. J. Jordan, and Col. John J. Osick.

Navy: Mr. Frank Dunham and Mr. Alfred Fernandes.

The following representatives of the Department of Defense, who also attended the meetings, responded to many queries from the Committee members:

Army: Acting Assistant Secretary (R&D) Charles L. Poor; Brig. Gen. James A. Hebbeler; Dr. Van M. Sims; and Mr. R. K. Webster.

Navy: Assistant Secretary (R&D) Robert A. Frosch, and Dr. William P. Raney.

Messrs. W. C. Jennings of the Department of Transportation and T. P. McCormack of the Federal Aviation Administration responded to questions about railroad transportation and about flight patterns and regulations at the Denver airport. Officials representing other agencies of the federal government also were present.

The Committee appreciates the cooperative attitude of all these individuals and the wealth of technical and other factual information that they provided.

CONCLUSIONS AND RECOMMENDATIONS

We are very much aware that continuing inaction will not reduce the hazards of eventual disposal of the chemicals and munitions intended for disposal in the 1969 Operation CHASE, and in some instances will increase them.

Furthermore we are aware that many activities of the federal government unavoidably involve some hazards to the personnel involved and also to private "bystanders". In this respect, government activities resemble those of private manufacturing and transportation organizations. We believe, however, that the government should set an example to private organizations and individuals of minimizing risks to humans and damage to the environment, even though this may complicate and make more costly its own operations. Therefore we recommend that Operation CHASE as originally conceived be modified as follows. Five types of materials are included in the plan:

1. AF M34 bomblet clusters containing GB, a "nerve gas"
2. Bulk containers of Mustard
3. M55 rockets containing GB in concrete "coffins"
4. Contaminated and water-filled bulk containers
5. Drums containing cans of CS agent in concrete.

We recommend that disposal of these materials should be as follows:

1. A total of 21,108 M34 clusters, each containing 76 bomblets, each of which is loaded with 2.6 lb of GB (volatile liquid "nerve gas"), 0.55 lb of tetryl burster charge, and fuze, are stored now at Rocky Mountain Arsenal (RMA), the site of their manufacture some sixteen years ago.

Discussion: We consider the Army's plans for minimizing the hazards of possible GB leakage during railroad transportation, including prevention of accidents and provisions for treatment of injured people, to be well developed. However, we cannot exclude the remote possibility of a catastrophic explosion in connection with transportation of large numbers of M34 clusters. Conceivably a sniper's high-velocity bullet could initiate a burster charge, and tests have shown that this induces sympathetic detonation of several adjacent bomblets; or, the collision of a gasoline truck with the train on a grade crossing could start a fire that could detonate the contents of many clusters. Other possible hazards associated with rail transport could also release large amounts of GB from M34 clusters. This could cause casualties far beyond the capacity of the attendant medical staff to handle.

Moreover, the Navy's plans for loading and towing the CHASE ship to the disposal grounds and sinking it there cannot preclude the remote possibility of a collision at sea or some other major accident that could conceivably result in the release of large quantities of GB.

There is some possibility of a large detonation of M34 clusters upon sinking of the ship in the ocean. As already noted, limited sympathetic detonation in a cluster has been observed in a test in air. The better impedance match of water invites a massive sympathetic detonation should a bomblet detonate. We consider that this is a probable event upon the impact of the ship's hulk on ocean bottom (7,200 ft deep), which it reaches at a speed that has been estimated from 10 to 100 ft/sec. While the consequences are impossible to predict precisely, lethal contamination of several cubic miles of the ocean (spread near the bottom downstream from the dump in a layer covering many square miles) for a period of many days is likely, on the basis of calculations involving the rates of hydrolysis (and thus of detoxification) of GB, its convective diffusion, and expected (very slow) sea currents. With no massive detonation, GB would be gradually released upon progressive corrosion of its thin-walled steel containers. Calculations such as those above suggest contamination of a small fraction (0.1 to 0.01) of a cubic mile of sea water as a bottom layer near the dump, lasting a few to many months, depending on the corrosion rate. In either case live fish are likely to be attracted into the contaminated layer by dead animals. The effects of these events on the oceanic ecosphere cannot be estimated but could be very serious. We are not fully convinced that a massive detonation upon the upending of the sinking hulk while still near the surface can be wholly excluded. If this were to happen, of course, the results could hardly be less serious.

We have considered and rejected (as the Army did earlier) various ways of entombing the M34 clusters on dry land. In essence, real disposal would thereby merely be postponed, while the stage would be set for an accident or even a major catastrophe for a future generation of Americans, when the records of such entombing would have been lost and human activities not now thought of would have been undertaken.

The burying of the clusters in a deep cavern, followed by the explosion of a small nuclear device there, could incinerate and detoxify the clusters. However, the hazards involved in various stages of this operation and the time required for its completion make this an undesirable plan.

Over a period of many years, RMA personnel have disposed of more than 2,200 leaky M34 clusters by disassembling them and chemically destroying or salvaging the GB without "lost time" accidents.

Recommendation: We recommend, therefore, that the M34 clusters be disassembled and the withdrawn GB be destroyed chemically either by acid or alkaline hydrolysis. This procedure would result in waste materials without "nerve-gas" properties and not more hazardous than larger volumes of industrial waste that are routinely discharged elsewhere.

On balance, weighing various hazards we recommend that this disassembly be undertaken at RMA because (i) the hazards arising from transportation by rail will be eliminated; (ii) RMA has an experienced staff that has already disassembled M34 clusters; (iii) RMA has facilities that can be fairly rapidly expanded for the recommended operation. We consider the addition of waste waters from hydrolysis to the sealed pond on the grounds of RMA not to be an issue since it would be only a small increment of similar waste now in the pond. If this recommendation is adopted, however, we urge the Army to proceed as rapidly as possible with the implementation of the plan, which may take from 18 to 30 months. In the meantime, immediate measures should be taken to protect the stores of M34 clusters from lightning and excessive direct sunlight, and also to distribute them so as to minimize the effects of the unlikely event of an aircraft crashing on the stores.

If, for any reason, the disposal of M34 clusters cannot be carried out at RMA, we recommend that they be moved by rail to the Tooele Army Depot and there disposed of by disassembly and chemical destruction of GB, as above. Tooele is recommended because (i) it offers a shorter haul by rail from RMA through a less-populated area (with the major exception of the passage through a part of Denver); (ii) it is located in a sparsely populated region and has a large land area; (iii) the Army has transported to Tooele other munitions containing "nerve gas" so that, when the time comes for their disposal, the disposal facilities that will have to be constructed at Tooele for M34 clusters would make further railroad transportation unnecessary.

As noted earlier, the probability of a catastrophic railroad accident involving M34 clusters is very low, but not zero. To reduce it further we recommend that, in addition to safety measures already planned by the Army, positive steps be taken to close grade crossings in inhabited areas during the passage from RMA to Tooele of trains loaded with explosive munitions containing "nerve gases."

2. A total of 5,311 one-ton heavy steel containers (like those used commercially for chlorine) filled with Mustard liquid were to be disposed of in Operation CHASE, and are stored at the Rocky Mountain, Anniston, and Edgewood Army establishments. Another 7,332 such containers that were to be disposed of later are at Pine Bluff and Tooele.

Discussion: The transportation of these

heavy steel containers by rail should be considered a hazardous operation subject to safety precautions practiced by the Army. However, we consider that such transportation of an almost non-volatile liquid (Mustard H or HD) would involve virtually no hazards of a catastrophic accident because even a strong fire would not rupture the tanks and boil off the Mustard. Hence the safety and security plans adopted by the Army to deal with accidents resulting in minor leaks and even larger local contamination are adequate. Similarly we can conceive of no likely *catastrophic* accidents occurring during the towing of a CHASE ship to the disposal area.

In the past, various chemical warfare agents have been repeatedly disposed of in the oceans by the United States and other nations (see, for instance, House of Commons Parliamentary Debates, Weekly Hansard, No. 484, 25 March–31 March 1960). We have no information regarding possible deleterious effects of these operations on the ecosphere of the seas.

Most of the one-ton containers of Mustard would probably not rupture upon the bottom impact of the sinking CHASE ship. However, their brass valves (forming an electrochemical couple) would cause moderately rapid corrosion of the steel containers, so that large numbers of cylindrical shapes of solid Mustard weighing about a ton each would eventually be exposed to sea water on the bottom. Considering the very slow rate of solution of solid Mustard in sea water at 3.5°C, the rate of its hydrolysis (and hence detoxification), and the effects of dissolved Mustard on fresh-water fish, we believe that the ocean volume made lethal to fish would in all probability be extremely small, although some pollution would continue for years. We are concerned, however, about the effects of Mustard on the germ cells of fish and on unicellular and larval organisms, concerning which no quantitative data were available. Thus the effects of these large masses of Mustard on the oceanic ecosphere are not predictable.

Mustard is readily combustible and, in the past, about 3,000 tons of it have been destroyed by burning in a special furnace at the RMA. Some of the products of combustion are air pollutants of the same type as those released in some industrial and electric-power-generating activities, namely hydrogen chloride and sulfur dioxide, and none have properties of chemical warfare agents.

Recommendation: We recommend that the Mustard scheduled for disposal in CHASE (and about 6,600 tons more in the 7,332 containers still to be disposed of, as mentioned previously) be burned in government establishments where storage is safe and *local* air pollution from the resulting SO_2 and HCl is not a serious problem. This procedure was successfully followed at RMA in an incinerator having a heat dissipation capacity of about $17(10)^6$ Btu/hr. The products of combustion were dispersed into the air from a 200-ft. chimney. Should maximum ground-level concentrations of pollutants prove to be excessive, a simple liquid scrubber should be added to the existing facilities and the effluent sent to the sealed lake. If for compelling reasons the disposal is at a site other than RMA, similar facilities are suggested, with thought being given, during design, to long-term use to incinerate other materials.

3. A total of 418 "coffins" containing M55 rockets are now at the Anniston (Alabama) and Blue Grass (Kentucky) Army establishments. The rockets are distributed evenly in solid blocks of concrete cast into heavy steel boxes with welded lids. Each such "coffin" weighs about 6.4 tons and contains 30 rockets. Each rocket contains 10.8 lb of GB liquid "nerve gas" and about 2.6 lb of Composition B burster charge, as well as rocket propellant and fuze. In previous CHASE operations during 1967 and 1968 1,706 such "coffins" have been sunk in one location east of NAD Earle at a depth of 7,200 feet.

Discussion: The transportation of the "coffins" by rail should be treated as a hazardous operation, but we conclude that the probability of a catastrophic accident is essentially nil because (i) the "coffins" should survive the wreck of a slowly moving train (35 mph or less, according to Army plans); (ii) a fire would take a long time to heat the large concrete mass of a "coffin" to a temperature high enough to cause rocket explosion; (iii) a sniper's bullet could not penetrate to a rocket to cause explosion; and (iv) sympathetic propagation of the explosion of any one rocket is not likely.

As in the case of the one-ton Mustard containers, the probability of a catastrophic accident during the towing of a CHASE ship loaded with the "coffins" is vanishingly small.

We expect that most, if not all, of these "coffins" would survive intact throughout the sinking of the hulk. Upon the corrosion of the steel containers, sea water will penetrate concrete and corrode the thin aluminum bodies of the rockets, thus allowing GB to diffuse slowly to the outside. Some hydrolysis of GB will take place within the pores of concrete. Where alkaline pH due to concrete prevails, the products of hydrolysis will be polymeric. These and the gelatinous aluminum hydroxide of the corroded rocket bodies may seal the pores in concrete, slowing down diffusion of GB. Hence the time interval after which "coffins" cease to be toxic cannot be estimated. The GB that escapes will be hydrolyzed gradually by sea water. The resulting toxicity of the sea should be highly localized.

The Army considers the demilitarization of M55 rockets now encased in concrete to be impractical.

Burying of the "coffins" on land or in lakes is inadvisable in our view, as well as in the Army's because they would probably retain their toxic contents long after the records of their disposition have been lost. The possibility of a serious (or even massive) accident involving human lives in some more or less distant future is thus not excluded.

Recommendation: We recommend that the Army convene a group of technically qualified individuals, including demolition experts (which we are not), to consider whether a practically feasible way could be devised to dispose of the "coffins" on an Army establishment. This method should be safe to neighboring population and positive in the sense that toxic and explosive contents of the "coffins" would be destroyed within a predictable time. As a group, however, we are unable to formulate a definite proposal that satisfies these conditions.

If the proposed study does not produce such a method (and assuming that what is now being recommended is consistent with the international obligations of the United States of America, a matter which we as a group cannot assess), we recommend that the 418 "coffins" be transported by rail (choosing routes minimizing proximity of population) to NAD Earle and, through, Operation CHASE, sunk in the same disposal area (centered at 39°38'N, 71°0'W) where the other 1,706 "coffins" have already been dumped. The choice of this location is based on reasoning that the concrete blocks will remain on the bottom for a very long time after the loss of toxic ingredients, and it is preferable that all of them be in one location when, in some more or less distant future, technological operations at the depth involved (7,000 ft) will be common and the records of CHASE operations may have been lost. To accelerate the conversion of the additional "coffins" into inert blocks of concrete, we recommend brazing to each of the outer steel boxes several pieces of copper to form electrochemical couples for accelerated corrosion.

If it is decided not to use NAD Earle for Operation CHASE, we recommend reconsideration of the use of the Naval Weapons Station-Charleston, Charleston, South Carolina, since, if these recommendations are carried out, only one CHASE ship would be required, and the local personnel and facilities at Charleston may be found to be adequate for its safe loading and towing to sea. The use of Charleston would entail a less serious rail-transportation problem and the ship could be sunk in the dump area (29° 20'N, 76°0'W) already designated on charts as used for "explosives chemicals, and munitions," which is in a very deep ocean (about 15,000 ft) where disposal might be less undesirable.

4. At Edgewood Arsenal (Maryland) are stored 2,325 one-ton steel containers that, at one time, contained some unknown contaminant, and have since been emptied and filled with water.

Discussion: These water-filled containers present relatively minor railroad and other transportation hazards, since such hazardous materials as GB and Mustard would already have been hydrolyzed for a long time by water-filling. On immersion in sea water, these containers should be corroded moderately rapidly because of their brass valves. Their leaking contents will serve as only a very minor local contaminant.

We have been informed that these containers cannot be disposed of through commercial channels because the chemical nature of their contamination is unknown.

Recommendation: We recommend that, to ensure only insignificant content of toxic materials, these containers be drained and refilled with water at the Edgewood Arsenal, a procedure, we were told, that presents no serious problems. Thereupon, if they still cannot be disposed of through commercial channels, we recommend disposing of them through Operation CHASE.

5. Also located at Edgewood Arsenal are 86 drums of 55-gallon capacity filled with cast concrete in each of which has been embedded canisters containing 80 lb of a mixture of a solid riot-control agent CS and some pyrotechnic composition.

Discussion: We were informed that safe disposal of the contents of these drums at the Arsenal presents serious problems.

The rail transportation and ship towing of this material present no serious hazards, since explosive hazards are virtually nil and the agent is non-lethal. The thin-walled drums will be fairly rapidly corroded upon sinking to sea bottom. The CS agent is rapidly hydrolyzed by sea water and, therefore, whether or not the concrete blocks survive the bottom impact, contamination of the sea will be minor and transient.

Recommendation: Unless a procedure similar to the demolition procedure first recommended in Section 3 is developed, we recommend including in the same Operation CHASE procedure recommended as second choice in Section 3 the small additional tonnage here involved.

While the following comments are outside the terms of reference of the Committee, we wish to suggest to the Department of Defense that it adopt basically the same approach to chemical warfare agents and munitions that the Atomic Energy Commission has adopted toward radioactive waste products from nuclear reactors. It should be assumed that all such agents and munitions will require eventual disposal and that dumping at sea should be avoided. Therefore, a systematic study of optimal methods of disposal on appropriate military installations, involving no hazards to the general population and no pollution of the environment, should be undertaken. Appropriately large disposal facilities should be regarded as a required counterpart to existing stocks and

planned manufacturing operations. As the first step in this direction, we suggest the construction of facilities for gradual demilitarization and detoxification of remaining M55 rockets.

AD HOC ADVISORY COMMITTEE

Frederick Bellinger, Chief, Chemical Science and Materials Division, Engineering Experiment Station, Georgia Institute of Technology, Atlanta, Ga.

Kenneth P. DuBois, Director, Toxicity Laboratory, University of Chicago, Chicago, Ill.

George B. Kistiakowsky (Chairman), Professor of Chemistry, Harvard University, Cambridge, Mass.

Carl M. Lathrop, Engineering Advisor, Esso Research and Engineering Co., Florham Park, N.J.

Stephen Lawroski, Associate Director, Argonne National Laboratory, Argonne, Ill.

Colin M. MacLeod, Vice President for Medical Affairs, The Commonwealth Fund, New York, N.Y.

M. S. Meselson, Professor of Biology, Harvard University, Cambridge, Mass.

N. M. Newmark, Chairman, Department of Civil Engineering, University of Illinois, Urbana, Ill.

Donald W. Pritchard, Director, Chesapeake Bay Institute, The Johns Hopkins University, Baltimore, Md.

John H. Ryther, Chairman, Department of Biology, Woods Hole Oceanographic Institute, Woods Hole, Mass.

John C. Sheehan, Professor of Chemistry, Massachusetts Institute of Technology, Cambridge, Mass.

James L. Whittenberger, Associate Dean, Harvard University School of Public Health, Boston, Mass.

Martin A. Paul, Staff Director.

HEPTANOIC ACID AND CRUDE CHICORY ROOTS—THE PEOPLE BE DAMNED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Louisiana (Mr. RARICK) is recognized for 10 minutes.

Mr. RARICK. Mr. Speaker, this House today put its seal of approval on a backroom bargain, surreptitiously negotiated, by those whose programs have been and continue to be soundly repudiated at the polls.

The original purpose of the 10-percent surtax was sold as a tool to help fight inflation by reducing spending in the private sector. There was another key promise to the agreement. Spending in the public sector was to be materially reduced also.

We all know that this was not done. In a few instances, showcase cuts were made in such highly visible programs as postal service for which the people already pay, or highways, which are supposedly financed from trust funds, but on the whole, the important cuts promised did not take place. So inflation has continued—in fact escalated.

There is something patently asinine about the theory that it is inflationary for the man who earned the dollar to spend it on his family—but that it is not inflationary for the Government to take the dollar away from him and give it to someone else to spend.

The people understand this foolishness and have plainly spoken against any extension of the surtax. As I said earlier this week, the dishonest and unpopular Johnson surtax is about to become the equally dishonest and equally unpopular Nixon surtax.

But suddenly something had to be done quickly, before the people could see what was going on. Although we have had 6 months to consider the matter, there had been nothing done. Suddenly there was a frantic cry to extend the surtax before midnight Monday, when it will expire. Then there were loud and newsworthy statements from many Members that they would not extend the surtax without what was called significant tax reform—relief for the taxpayers. Next came a postponement of action, because the votes for the surtax just were not there. Then there was the persuasion game in the name of "party loyalty," by both parties. Finally there was the political realization that the vote on the surtax extension must be taken before July 4 vacation when most Members would be at home and hear directly from the people in their districts.

And so, there was a political deal made. Some who had earlier demanded tax reform forgot the taxpayers. In consideration for more money distributed to the ever-growing, non-tax-paying, welfare class, they agreed to extend the surtax. This afternoon, by a constitutionally questionable device, without debate, the decent, hard-working, law-abiding taxpayers are stuck again—this time traded out for the direct benefit of the ever-growing parasitic class who pay no taxes, but who vote in ever-increasing numbers.

Mr. Speaker, I say that this is a constitutionally questionable measure. The Constitution, in article 1, section 7, clause 2, plainly provides:

> All bills for raising revenue shall originate in the House of Representatives.

This clause was put there for a purpose—to keep the real taxing power close to the people. This House has complied with demands to deliberately evade this constitutional command, because the safeguard it erects would work. The people do not want an extension of this surtax under present conditions and the Members of this House know it.

We have acted on a minor bill extending the duty exemption on a substance called heptanoic acid—but to which, without hearings, the other body hastily engrafted significant tax provisions. These provisions have never been accorded the courtesy of a hearing in committee in this House. The trading horse—a removal of the ceiling on the funds to subsidize illegitimate children—was tacked on to a simple measure removing the duty from crude chicory roots. The public is not even aware of what we are doing.

We have not extended the surtax—that will come Monday, we are told. We have only extended a law saying that employers must continue to collect, and to send to the Treasury a tax which has expired.

This hand in the pocket of taxpayers does not even extend to all taxpayers—just to the workingman for whose paycheck it can be withheld. The self-employed and the employer himself are excused from this seizure of wages in advance of a tax law.

The principle is the same as if we said that, Since the Government needs money, we will just have employers withhold all of the July pay, and get around to adjusting the tax later to cover the operation. Suppose the surtax fails Monday—then what? The employers would continue withholding for 30 days without a law.

The Constitution has something to say on this subject also. In addition to the due process clause, which certainly implies more than a backroom political bargain, in enacting tax measures the fifth amendment, commands:

> Nor shall private property be taken for public use, without just compensation.

This is exactly what we have done—by voice vote. We have taken private property, the dollars from workers' paychecks, with no compensation whatsoever.

We did not act on the tax. We acted only on the collection mechanism. We have required the taking of money from those we may get around to taxing later, on the appealing argument that to fail to do so would cost employers money by requiring them to change their bookkeeping, and then to change it back if we ever pass the tax.

I say that this is a totally phony argument for two reasons. First, employers who felt entitled to abide by the law, have already prepared for the end of the surtax according to the very withholding tables we are now asked to amend, and must now do the very thing we claim to avoid. Second, the expense of change to the employer is a tax deductible business expense, although the withholding of wages from the employee who earned them gives that employee no deduction, no interest on his money, no other advantage.

Mr. Speaker, we again have been asked to act in the teeth of the desires of our constituents, and against all logic or commonsense. In the name of political power we are asked to go along with a corrupt bargain, where we take more and more from those hard-working, productive Americans who are the backbone of this Nation, in order to redistribute their earnings to another class of people who are productive of nothing but the fourth and fifth welfare generation—and votes.

The people whom I represent do not approve of this sort of transparent scheme. I ask my colleagues who represent other taxpaying, working, Americans to stand up and be counted for their constituents and to join in preventing another such contemptible fraud on the American people. The people want and deserve the end of the surtax measure.

Mr. Speaker, I include a recent editorial outlining the behind-the-scenes maneuvering:

[From the Washington (D.C.) Evening Star, June 26, 1969]

RESPONSIBILITY AND THE SURTAX

The prospects for extending the surtax took a sudden turn for the better yesterday, thanks to Minority Leader Gerald Ford and the Republican Party.

Ford was able to inform the Democratic leaders that 170 of the 188 Republicans in the House were prepared to vote for a full-

year extension of this crucial measure. This represented a dramatic 40-vote increase over the accepted Grand Old Party nose-count up to that time. One explanation for the shift was the President's reportedly effective lobbying efforts behind the scenes. Also, Ford was likewise successful in his urgent appeal for party responsibility.

As a result, Speaker McCormack and Majority Leader Carl Albert agreed to schedule a vote on the surtax this Monday before the July 4 holiday break. Had the House gone ahead with its original plan to delay matters until after the recess, the chances for the surtax extension would, of course, have worsened accordingly.

Now that the Republicans have shown a commendable willingness to vote their consciences rather than their districts, the responsibility for the fate of the government's anti-inflationary program rests squarely with the Democratic majority in Congress. The American public is sophisticated enough nowadays to know when the party in control of Congress—rather than the man in the White House—is at fault. If a delay in extending the surtax rocks the standing of the dollar abroad, or causes panic in the domestic money markets, the voter will know that the Democrats are to blame. Moreover, he may be expected to figure out for himself that many Democratic Study Group members who now oppose the surtax extension unless a firm commitment is made for tax reform this session are, in fact, hiding behind that issue as a way of avoiding a vote for the surtax.

This Friday, the House will have the opportunity to vote for a one-month extension of the surtax. All indications are that this stop-gap measure will pass. But this move hardly can be expected to solve the crisis in confidence that doubts about the full-year extension of the surtax will engender here and abroad.

The responsibility of congressional Republicans and Democrats is altogether clear. The surtax must be extended for a full year—now.

THE PROBLEM OF DRUG USAGE AMONG TODAY'S YOUTH

(Mr. EDWARDS of California asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. EDWARDS of California. Mr. Speaker, we are living in the psychedelic age. It is an age which came upon us very quickly, with little warning, and has overtaken us at a pace which is difficult to keep up with. Because of this, a tremendous amount of confusion, concern, fear, and misunderstanding on the part of parents who find their children a part of a world they themselves do not know or understand, has resulted. Aside from the overriding necessity for detailed research on the effects of drug usage, there is a need for public education about the effects of drugs, the reasons for which youth are drawn to them, and what can and should be done about it. Western Electric Manufacturing and Supply Co., in Sunnyvale, Calif., has recognized this need and taken the responsibility upon itself for this education process.

In May, with the cooperation of Station KNTV in California, which kindly gave prime TV time for a public service broadcast, Western Electric presented a program entitled, "Marijuana, the Growing Grass Fire" which was designed to inform the public of the issues involved in the use of marijuana. The response to this broadcast by the public was very enthusiastic and Western Electric received hundreds of letters praising the show and requesting copies of a booklet which Western Electric had published in conjunction with the broadcast called "Parents Guide to Marijuana." I think the efforts of Western Electric to take on the responsibility of helping our society understand and adjust to its new problems are to be highly commended and should serve as an example to others in our country. I include the following portion from the above-mentioned booklet be as a part of the RECORD and as an insightful commentary on the problem of drug usage among today's youth:

Today's young people are a lot more idealistic than we were at their age. They have an awareness of social justice, world peace and other national and international problems. They are not easily fooled by hypocritical parents. Or tolerant of them, for that matter. In all fairness, we can't preach about drugs if we ourselves are hung up on tranquilizers or are partial to three martini lunches. We as adults must get off our duffs and earn our children's respect by setting good examples in what we do, think and feel in all our relationships.

We forget young people need—and even desire—authority. They say we now live in a permissive society. You don't have to be a policeman to recognize this is true. Children, the experts say, want strict parents, but at the same time want the discipline to be fair, not tyrannical, and discipline left up to the father, not sloughed off to the mother.

A little education on both sides won't hurt. Unfortunately for parents, teenagers know more about the drug scene than their mothers and fathers. What parents need to do is learn all they can about marijuana—and other drugs, too. Goof up one small fact about drugs and a child can make a big thing of it. A parent's point of view must be from a position of level headedness and factual knowledge. Hopefully, this booklet will assist you.

The times they are a-changing. Our youth are certainly aware of it. Too many of us are out of it as far as our children are concerned. And that's because we're not listening. Trite but true, few of us communicate Maybe a little two way communication will help break down the barriers between parents and child.

INTRODUCTION OF FOOD STAMP BILL

(Mr. EDWARDS of California asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. EDWARDS of California. Mr. Speaker, today I am introducing a companion bill to the Food Stamp Reform Act of 1969 introduced by Senator GEORGE MCGOVERN.

I am introducing this bill because of certain specific complaints from the congressional district I represent.

The Ninth Congressional District includes the fertile lands of southern Alameda County, the Santa Clara Valley and a small portion of San Mateo County in California. The Santa Clara Valley is one of the most famous agricultural valleys in the Nation and, even today in the age of urbanization its crops are still a rich resource. Farms are still producing lush yields and good profits in San Mateo and Alameda Counties. There is no lack of food here.

All three of these counties brag about the wealth of their inhabitants. In particular the greater San Jose area regularly advertises that the income level of its population is one of the highest in the Nation.

Thus, the Ninth Congressional District of California is fortunate enough to be in an area which produces an abundance of food and whose inhabitants earn far more than the national average.

The problem of hunger should be absent from my district.

It is one of the deep ironies of this Nation that instead there are those who go hungry in the Ninth Congressional District, those who go hungry in rich Alameda County, those who go hungry in the lush Santa Clara Valley, and those who go hungry in green San Mateo County.

I do not know how many these hungry number. No one has ever investigated fully, another irony.

I do know an official of the Santa Clara Valley Headstart program told me that of the 4,000 children served in that program last year she estimates 2,000 of them were hungry.

I also know Frederick B. Gillette, director of the welfare department of Santa Clara County reported on May 6, 1969, in testimony before the Select Committee on Nutrition and Human Needs in San Francisco:

In Santa Clara County today there are families with children suffering from the effects of diagnosed malnutrition. These are the families that cannot afford to buy food stamps.

Hunger in the Ninth Congressional District is a hidden problem.

We in the district have grown so fast that we failed to look back, we have failed to notice those who have not traveled our road to prosperity. There is, I believe, no one within the district who would allow a child to go hungry, if he or she could help. However, only a few have ever looked and recognized the face of hunger hidden among signs of prosperity.

The problem of hunger in the Santa Clara Valley is now being examined through a governmental study, yet this study made up of cold statistics cannot tell the full story of human misery. The study will serve a worthy purpose, but I am afraid it will not mobilize the total resources of the area in such a way that hunger can be fed through the warmth of private action.

I would hope the people of my district will help us find the hungry, discover where they live, and determine what can be done to help. Specifically, I would hope the Santa Clara County Council of Churches, through its task force on hunger, the Santa Clara County Medical Society, Metropolitan San Jose, other private organizations, and the minorities, would cooperate in a study of hunger in the area. School districts could play a vital role in such a study. Finally, I would hope the press, the newspapers, radio, and television would conduct their own independent and impartial investigations of the problems of hunger.

This kind of cooperative study could reveal, not only to Government, but also to the people of the area, the extent of the problem and the solutions to it.

Governmental programs have failed in

this area of hunger. Better solutions must be found, which involve all sectors of the area and of the Nation.

The Federal Government cannot eliminate hunger, but its programs can be improved. In particular there are reforms in the food stamp program which can help, and help now.

Mr. Gillette, in pointing out the problems within Santa Clara County, said many of those eligible for the food stamp programs cannot afford to purchase the stamps:

A household of nine with a net take home pay of $491 per month and an adjusted net income of $426 a month must pay $122 for $166 worth of food coupons each month.

Expenses for the family, including house payment, utilities, medical bills, furniture payment, car payment and gasoline are $400 per month, leaving them only $91 for food, incidentals and clothing. Obviously, they cannot pay $122 each month for food stamps.

As Mr. Gillette points out, one of the major problems in the present program is that food stamps are an all or nothing proposition. The recipient must buy every stamp he is eligible for, or none.

In the Ninth Congressional District this problem is extreme. Costs are high. Rents are among the highest in the Nation, if a rental can be found. A car is a necessity, for there is no public transportation worthy of the name.

A mother and three children with no income other than welfare payments, receives in Santa Clara County $221 per month. In order to obtain adequate housing, she must pay at least $100 a month in rent—and for that amount she would be lucky to obtain a two-bedroom old apartment in a deteriorating neighborhood. A modern, unfurnished three-bedroom apartment costs at least $240 a month, a three-bedroom unfurnished house with termites and a sagging bathroom floor, $180 a month.

This mother and her children face the choice of either inadequate housing, clothing or food supply, and a possible combination of all three.

It is my belief that many of those who depend on welfare payments, or social security for sustenance, go hungry.

The legislation I am supporting will not cure this hunger, but it will help.

It changes the present all or nothing law to read:

A household may, if it so elects, purchase any amount of coupons less than the full coupon allotment it is entitled to purchase.

Mr. Gillette pointed out another inequity in the present law:

Many older persons have three to five thousand dollars in the bank as a reserve against possible illness, funeral expense or other emergencies. Because they are sorely afraid of their savings dwindling and because they don't want to end up as a burden on their loved ones, they often live on marginal incomes which do not allow adequate funds for food.

To meet this problem, the legislation I support says of the standards for eligibility:

Such standards shall also place a limitation on the resources to be allowed eligible households, but such limitations shall apply to the income, if any, realized from such resources and not to any income which might be realized through liquidation of such resources.

There are a number of other portions of the act pertinent both to my congressional district and my State.

First, it would permit the Secretary of Agriculture to use private local agencies or other governmental agencies to operate the food stamp program, when local officials, as some have in California, refuse to operate such programs.

Second, the Secretary of Agriculture would set the maximum income for participation in the food stamp program, but the States on the basis of local needs could increase that maximum income level, if necessary and if the Secretary of Agriculture approves.

Third, any household whose income is less than two-thirds of the minimum cost of purchasing a nutritionally adequate diet will receive its coupon allotment free.

At present the Agriculture Department has established the cost of a low-budget diet at about $1 per day for each member of the family, a budget of $120 a month for a family of four. Thus a family of four with an income of less than $90 would get free coupons. There are presently 5.2 million Americans in such families.

Fourth, the maximum income level for participation—eligibility to buy stamps shall be no less than three times the cost of purchasing a minimum adequate diet.

Under present standards the maximum income level for a family of four would be $360 a month.

Fifth, recipients of food stamps would be permitted to purchase products necessary for personal cleanliness, hygiene, and home sanitation.

While I believe this legislation will aid in fighting hunger in my congressional district, I do not believe it answers the basic problems.

Let me use as an example again, the mother and three children on welfare in Santa Clara County, who receive $221 per month.

On this sum she must feed, house, clothe, and provide transportation for herself and her children. I, for one, do not believe she can feed herself and her children for $120 per month, leaving $101 for rent, clothes and transportation. Adequate housing of any sort is all but unavailable. She must report any additional income she receives, on the penalty of going to jail.

In Santa Clara County a family of four cannot live today on $221 per month.

I believe this legislation will help her, and her children.

I believe we in the Ninth Congressional District must investigate and find new solutions to the problems of hunger in a place where hunger has no right to exist.

Senator McGOVERN in introducing his bill said:

Are we to believe that our nation can afford 11 trips to the moon, a new multi-billion dollar manned bomber and a dubious anti-ballistic-missile system, but that we cannot afford a penny more to feed hungry children because this would cause inflation? This is nothing less than disgraceful—the use of the threat of inflation to persuade a person who is suffering from hunger to wait a few more years for food.

I would add that we can afford napalm for Vietnam, we can even afford to feed hungry Vietnamese, but we are now told we cannot afford the money to feed hungry Americans.

A French queen once said, "Let them eat cake."

Today, we in the United States must find a better answer, or we too will lose our heads, and deservedly so, if we allow our own children to go hungry.

THE SMALL BUSINESS PROGRAM MUST HAVE HELP NOW

(Mr. SIKES was granted permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SIKES. Mr. Speaker, I am deeply concerned with the plight of the small business investment program. At the direction of the President, the Bureau of the Budget has declined to release the full $30 million appropriated for the SBIC program for the current fiscal year. In fact, only $8.7 million has been released to fund SBIC loan applications of pending but not funded from the prior fiscal year, 1968. Today 45 SBIC's out of a total 350 active licensees have approved loan applications on file with SBA totaling $28.7 million. These companies are in desperate need of matching funds if they are to continue to service the financing needs of small business concerns throughout the country. What is more, the very survival of many of these SBICs is at stake. Unless the Bureau of the Budget releases the remaining $22.3 million in appropriated funds, the entire SBIC industry can be placed in jeopardy, for it will become apparent to all SBIC's that they no longer can count on SBA funds in time of need and therefore have little reason to continue in the program.

I am aware that officials at SBA and Budget Bureau as well as industry representatives have been diligently working to find alternative funds through guaranteed borrowings from the private money market. Several proposals have been advanced, but because of the rising cost of money and legal complications with other Federal agencies, none has proven feasible. Thus the only remaining alternative of maintaining these 45 SBIC's as viable financial institutions is to release the $22.3 million frozen by the Bureau of the Budget before this fiscal year expires.

The administration has stated it has not released the entire appropriation, because it must comply with title II of the Revenue and Expenditures Control Act of 1968.

Mr. Speaker, I submit that a modest reduction in the allocation of appropriated funds might be understandable, but the refusal to fund any applications filed since the beginning of this fiscal year is inconceivable for it may ultimately lead to the destruction of the only organized source of venture capital available to small business in this country. The release of the remainder of the appropriation, $22.3 million, will have a minimal impact upon the Federal budgetary picture, but it means the difference between solvency and insolvency for hundreds of small business concerns dependent upon these SBIC funds. Inaction by the Budget Bureau will also

mean the loss of several million dollars already in the program as several SBIC's awaiting funds may be forced to liquidate. I believe we could also realistically anticipate the departure of dozens of other SBIC's as it will be apparent they can no longer rely on the Federal Government to comply with its end of the bargain by supplying money when needed.

Eleven years ago Congress passed the Small Business Investment Act of 1958 which promised to match SBIC private capital with Federal funds at a ratio of of 2 to 1 up to certain maximum amounts. Thousands of individuals were induced to invest their savings, time, and effort in hundreds of SBIC's. The Federal Government must not now break its good faith ageement with these entrepreneurs and arbitrarily cut off their source of funds.

We can keep faith; we must keep faith with our private partner. It is incumbent upon the administration to release these funds immediately. No other feasible solution to the SBIC money crisis is imminent and action is needed now.

HALT DDT ADVERTISING

(Mrs. MINK asked and was given permission to extend her remarks at this point in the RECORD and to include extraneous matter.)

Mrs. MINK. Mr. Speaker, recently I have joined with colleagues in efforts to curb the poisoning of our environment with chemicals used as pesticides. My action stemmed from a long interest in protecting our citizens, as well as wildlife, from the dangerous effects of these substances.

Of particular urgency is the need to halt the accumulation of the chemical DDT in our environment. This poison does not dissipate in the normal processes of nature, but instead continues to collect in greater concentrations as it is used ever more widely in agriculture. The result is that we are slowly poisoning the entire world by its use.

The threatened extinction of the American bald eagle from DDT best symbolizes the ravages that this chemical is making on our environment. All of us have a common stake in stopping this race to disaster.

Although efforts to control such pollution usually meet with public apathy, it is heartening to note that some responsible groups in our society are working diligently toward a sounder policy on poisonous chemicals. One example of this was the recent action of Sunset magazine in placing an immediate ban on advertising of DDT and related chemicals.

Sunset acted only after a long, careful study of the situation. Its conclusions—concerning the danger of these chemicals to all of us—are worthy of attention by all Members of Congress as well as other concerned citizens and public bodies. This magazine's action is especially significant since it currently carries more insecticide and pest-control advertising than any other nonfarm magazine in the United States.

In addition to banning advertisements for these products, the magazine is publishing a major article urging readers to use substitute products. Some 19 acceptable products for home and garden use are listed, along with recommended methods for getting rid of present supplies of the insecticides. A revision of Sunset garden books is also planned for this fall.

Since these are positive steps that put the public interest ahead of monetary gain, I commend this magazine for its concern for the public welfare. For the benefit of my colleagues, I place an announcement of the magazine's actions at this point in the RECORD.

The announcement follows:

SUNSET MAGAZINE MOVES AGAINST DDT AND FIVE OTHER INSECTICIDES

MENLO PARK, CALIF.—*Sunset* Magazine announced this week an immediate ban on accepting advertising for products containing DDT and five other insecticides, and is revising all of its *Sunset* gardening books to recommend substitute products, according to Lane Magazine & Book Company president, L. W. (Bill) Lane, Jr.

The move came after a continuing concern and a six-month intensive study convinced the magazine's gardening staff and management that damage to wildlife and the eventual possibility of harm to humans is far too great to offset the product advantages for use in home gardens.

The announcement is especially significant in view of the fact that *Sunset* currently carries more insecticide and pest-control advertising than any other non-farm magazine in the country.

Lane also announced that the magazine will publish a comprehensive report on the subject in its August issue, listing 19 acceptable substitute products for use around the home and recommended methods for getting rid of present supplies of the insecticides. He emphasized that many of the substitute products have been included in recent and all current printings of *Sunset* publications. The magazine's ban on product advertising goes into effect with the same August issue, which is the first issue going to press following the announcement.

Sunset's garden editor Joseph F. Williamson said that research and checking with all responsible authorities convinces him that the new restrictions imposed by the California Department of Agriculture are a step in the right direction, but that more controls are needed.

Sunset's decision not to accept advertising precedes the January 1, 1970, ban ordered by the State of California directive on only two insecticides—DDT and DDD.

Three other states—Arizona, Wisconsin, and Michigan—have passed or proposed legislation to control the use of DDT and related chemicals.

The *Sunset* article will also recommend that four other insecticides immediately be taken off the market for home gardening—aldrin, dieldrin, endrin, and toxaphene. They are also included in the ingredients not acceptable for *Sunset* advertising. Williamson explains that the major problem with these stems from what scientists call "nondegradability." Other kinds of insecticides "break down" or change into harmless substances within hours or days after application. These retain their chemical potency, wherever nature may take them, for years after application.

Williamson reports that manufacturers are actively cooperating in the drive to market substitute products that offer the benefits of insect control without the hazards of DDT and its related compounds. Some have voluntarily eliminated DDT products from their lines. Nevertheless, according to a *Sunset* survey of retail outlets, it still is currently contained in 35 products in the Western garden supply market.

Scientists report that certain forms of wildlife (California brown pelicans, peregrine falcons, bald eagles, and Dungeness crabs, to name a few) have taken enough DDT into their systems to make many adults no longer capable of reproducing, thus threatening their species with extinction.

Lane noted that not accepting certain categories of advertising is not new to *Sunset*. The publication, with a circulation of close to one million in Western America, has a long list of products that it does not accept in its advertising pages. "In the case of tobacco and hard liquor, we dropped advertising of such products 25 years ago," Lane said, "not because we set ourselves up as crusaders, but because we felt they didn't fit in the atmosphere of our family-oriented magazine. But in the case of insecticides, our readers expect us to be authorities; we can't very well accept advertising for products we would not endorse or recommend in our editorial pages."

In addition to publishing *Sunset* Magazine, the company is a major book publisher. Melvin B. Lane, publisher of *Sunset* Books, reports that revisions already are being made on all of the firm's garden books to conform with the new findings on insecticides.

A VOTE AGAINST H.R. 7906

(Mrs. MINK asked and was given permission to extend her remarks at this point in the RECORD and to include extraneous matter.)

Mrs. MINK. Mr. Speaker, I voted against H.R. 7906, a bill to impose Federal regulation on State and local taxation of commerce.

While unfair burdens are undoubtedly being placed on such trade by the States, the evidence indicates that the States are speedily moving to correct these difficulties by themselves. In my own State of Hawaii, for example, the legislature in 1967 enacted the Uniform Division of Net Income for Tax Purposes Act which was a uniform law proposed by the National Conference of Commissioners on Uniform State Laws.

In 1967 the Hawaii Legislature also passed a law preventing "double taxation" on the same sales transaction if completed on an interstate basis. Under this law, Hawaii gives credit to sales or use taxes paid to another State or local government.

Also, many States are adopting the multistate tax compact which seeks to redress the same ills which are the subject of this bill. I feel that the States should be given further opportunity to solve these problems before Federal regulation takes place.

The Honorable John A. Burns, Governor of Hawaii, opposed H.R. 7906 because it would result in a loss of revenue to the State and would place intrastate businesses at a substantial competitive disadvantage with interstate firms.

Governor Burns said:

The provisions of the Multistate Tax Compact already provide a better method of resolving multistate problems of taxation.

This bill has been before Congress in various forms for quite a few years. As originally proposed, it drew criticism from some Members of this body as being directed against small business. Subsequently it has been "toned down," and the committee report on H.R. 7906 assures us that the measure will help end the multiple taxation fears of small- and medium-sized businesses.

I hope that this is true, if the bill is enacted. Yet it is difficult to see how re-

moving taxes on transactions by a firm located in another State will fail to harm small businesses operating in only one State. These small firms have difficulty now in meeting the competition from "outside," and if a tax "break" is given to interstate firms then they will have a further advantage over local business.

While the bill excludes corporations with more than $1 million in average annual sales from the proposed limits on State income taxes, I further hope that this will not work to the advantage of big concerns which are segmented into small units. Who reaps the profits from reduced State revenues that are contemplated?

In view of these dangers, I feel that the benefits of H.R. 7906 are outweighed by its drawbacks.

THE WALL STREET JOURNAL DESCRIBES HOW A BILL IS MARKED UP

(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, this morning, the Banking and Currency Committee reported out a bill in the general subject area of one-bank holding companies.

Many people, both inside and outside of the Congress, have asked what happened on this legislation during an open markup session, Thursday, when the critical votes were taken.

Mr. Speaker, the Wall Street Journal of this morning, Friday, June 27, carries a lengthy article which accurately reflects what happened.

Mr. Speaker, for those interested in the activities of the Banking and Currency Committee, I place this article in the RECORD:

[From the Wall Street Journal, June 27, 1969]

BANKING INDUSTRY SCORES IN HOUSE PANEL AS EASIER ONE-BANK HOLDING BILL ADVANCES

WASHINGTON.—The banking industry won a major victory in an embittered House committee on legislation to extend Federal regulation to holding companies controlling one bank apiece.

With the help of five Southern Democrats, Republicans on the House Banking Committee gained tentative approval for a measure that would regulate the one-bank holding companies more loosely than a rival bill backed by Chairman Patman (D., Texas) and the committee's Democratic majority.

The key effect would be to specify that affiliates acquired by one-bank holding companies before last Feb. 17 won't be affected by the new regulatory statute being drafted.

That date is much more recent than any that was thought to be under serious consideration. The Nixon Administration had suggested a June 30, 1968, cutoff date, and until yesterday morning that was the date contained in the bill sponsored by committee Republicans.

The Patman measure contained no such "grandfather clause." Instead, it would require one-bank holding companies to divest themselves of affiliates that the Federal Reserve Board deemed insufficiently related to banking.

The decision stunned and angered several committee Democrats, who maintained that such a recent cut-off date will make almost meaningless any one-bank holding company bill Congress eventually passes.

They argued that the main purpose of the holding-company bill being drafted is to extend regulation to the many big banks that in the past year or so have become one-bank holding companies in order to enjoy unregulated diversification. The Feb. 17 cutoff date would exempt most of these companies' acquisitions from regulation.

Currently, only the banking subsidiaries of one-bank companies are Federally regulated; the holding companies themselves are free to acquire other businesses far afield from banking. In contrast, holding companies controlling two or more banks are tightly regulated by the Federal Reserve Board under a 1956 law.

"I don't mean this in any personal way," Chairman Patman told the committee as it prepared to vote, "But this (Feb. 17) date is a disgrace. It is a disgrace which will haunt this committee forevermore. . . ."

Mr. Patman noted that in four weeks of hearings the only witness who testified in support of the Feb. 17 cut-off date was Nat S. Rogers, vice president of the American Bankers Association.

In response, Rep. Widnall of New Jersey, the committee's senior Republican and the sponsor of the adopted measure, said Feb. 17 was picked because it was the date the first one-bank holding company bill was introduced in the current Congress and thus "was the first time companies were put on notice there probably would be legislation in this area."

The Widnall substitute bill also specifies that one-bank holding companies would be allowed to acquire only those affiliates that the Reserve Board had determined to be "functionally related to banking."

The Patman measure uses the phrase "closely related to banking," and then lists various activities bank holding-company affiliates could engage in.

A Patman aide said substitution of "functionally related" for "closely related" might result in a new series of administrative interpretations to replace the Reserve Board's past rulings regarding the "closely related" standard in the 1956 law regulating multibank holding companies.

The dramatic 20-to-15 roll-call vote was taken in an extraordinary public session, as the press and a roomful of lobbyists watched. "We had $70 billion of assets in this room today," a committee aide remarked after the vote.

In urging its defeat, Mr. Patman called the Widnall substitute the "S&H Green Stamp amendment," because Sperry & Hutchinson Co., one of many concerns that would benefit from its passage, reportedly has been intensely lobbying the committee.

Outside the hearing room following the vote, Robert Oliver, a Washington lobbyist who said he represents Sperry & Hutchinson, commented that he hadn't been surprised by the outcome. "I knew we had anwhere from 19 to 23 votes," he remarked.

Mr. Oliver said that if the Patman measure had prevailed through final Congressional passage, Sperry & Hutchinson would have been required to divest itself of State National Bank of Connecticut, which he said it acquired last September.

Adoption of the Widnall measure isn't the committee's final action, but it appears unlikely the decision will be reversed before the committee sends the bill to the House floor.

Chairman Patman said in an interview he intends to do all he can to strengthen the bill before it's sent to the Senate, where hearings haven't begun on the bank-holding company issue.

Rep. Brasco (D, N.Y.) said he may offer a floor amendment to delete the Feb. 17 cut-off date. "If we accept this grandfather clause," he commented before the vote, "we might as well forget the legislation. If we're going to lock all these people in, then we're just wasting our time here."

In his statement, Mr. Patman made his first, albeit indirect, reference to the conflict-of-interest problem existing in the committee because of the ownership of bank stock by several members.

"Every member is well aware of the criticism that has appeared in the public print about this committee," he said before the vote. "I have steadfastly refused to discuss this criticism and to do anything to add fuel to the fire. But this committee is being watched for its actions on bank legislation. I hope nothing that we do here today will add to the criticism."

This was an apparent reference to newspaper accounts, based on Representatives' filings with the House Ethics Committee recently, that showed several Banking Committee members own stock in banks.

The Banking Committee, as well as the House generally, operates under a rule prohibiting a member from voting on an issue if "he has a direct personal or pecuniary interest in the event of such question." All members of the committee voted yesterday, and Rep. Patman conceded in an interview it thus would appear that some members had violated the committee's rules.

He said, however, that the committee would have to hold "an investigation" to determine whether that was true, and that he didn't intend to call such an inquiry. "That's difficult for me to do," he explained, "because I'm the chairman of this committee and I try to work with these fellows. We have other legislation coming up besides this."

The conflict-of-interest question within his committee is believed to be a source of considerable embarrassment to the chairman, who has mounted a one-man crusade in recent months to force Treasury Secretary Kennedy to sever his ties with the Chicago Bank he once headed if he's to remain in the Cabinet.

The five Democrats who joined the committee's 15 Republicans in support of the Widnall amendment were Reps. Stevens of Georgia, Gettys of South Carolina, Galifianakis of North Carolina, Bevill of Alabama, and Griffin of Mississippi.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. CAHILL (at the request of Mr. GERALD R. FORD) for today, on account of critical family illness.

Mr. CHARLES H. WILSON (at the request of Mr. BOGGS) for today, on account of official business.

Mr. MESKILL (at the request of Mr. GERALD R. FORD), for today, on account of official business.

Mr. HICKS (at the request of Mr. FOLEY), for June 27, on account of official business.

Mr. GOODLING (at the request of Mr. GERALD R. FORD) for the week of June 30, on account of official business.

Mr. MCEWEN (at the request of Mr. GERALD R. FORD), for today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. HALPERN (at the request of Mr. SEBELIUS), for 10 minutes, today, and to revise and extend his remarks and include extraneous matter.

(The following Members (at the request of Mr. STOKES) and to revise and extend their remarks and include extraneous matter:)

Mr. McCARTHY, for 30 minutes, today.
Mr. GONZALEZ, for 10 minutes, today.
Mr. RARICK, for 10 minutes, today.
Mr. TUNNEY, for 15 minutes, on June 30.

EXTENSIONS OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. MADDEN to extend remarks made on House Resolution 455 and include a statement he made before the Ways and Means Committee.

(The following Members (at the request of Mr. SEBELIUS) and to include extraneous matter:)

Mr. ZWACH.
Mr. CLEVELAND in two instances.
Mr. COUGHLIN in two instances.
Mr. SMITH of New York.
Mr. LANGEN.
Mr. SCHWENGEL.
Mrs. HECKLER of Massachusetts.
Mr. McCLURE.
Mr. BROOMFIELD.
Mr. BLACKBURN.
Mr. HOGAN in three instances.
Mr. O'KONSKI.

(The following Members (at the request of Mr. STOKES) and to include extraneous matter:)

Mr. LONG of Maryland in two instances.
Mr. BOLLING in two instances.
Mr. BLATNIK in three instances.
Mrs. HANSEN of Washington.
Mr. ALEXANDER in two instances.
Mr. DANIEL of Virginia.
Mr. MINISH.
Mr. VANIK in two instances.
Mr. NIX.
Mr. POWELL in three instances.
Mr. BROWN of California in two instances.
Mr. WOLFF.
Mr. HOWARD in two instances.
Mr. RARICK in four instances.
Mr. DIGGS.
Mr. EILBERG.
Mr. STOKES in six instances.
Mr. KOCH in four instances.
Mr. GONZALEZ in two instances.
Mr. PICKLE in three instances.
Mr. RYAN 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. 621. An act to provide for the establishment of the Apostle Islands National Lakeshore in the State of Wisconsin, and for other purposes; to the Committee on Interior and Insular Affairs.

S. 1076. An act to establish a pilot program in the Departments of the Interior and Agriculture designated as the Youth Conservation Corps, and for other purposes; to the Committee on Education and Labor.

S. 1708. An act to amend title I of the Land and Water Conservation Fund Act of 1965 (78 Stat. 897), and for other purposes; to the Committee on Interior and Insular Affairs.

S. 1932. An act for the relief of Arthur Rike; to the Committee on the Judiciary.

ENROLLED BILLS SIGNED

Mr. FRIEDEL, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 265. An act to amend section 502 of the Merchant Marine Act, 1936, relating to construction-differential subsidies; and

H.R. 4229. An act to continue for a temporary period the existing suspension of duty on heptanoic acid, and to continue for 1 month the existing rates of withholding of income tax.

JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. FRIEDEL, from the Committee on House Administration, reported that that committee did on June 26, 1969, present to the President, for his approval, a joint resolution of the House of the following title:

H.J. Res. 790. Joint resolution making continuing appropriations for the fiscal year 1970, and for other purposes.

ADJOURNMENT

Mr. STOKES. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 21 minutes p.m.), under its previous order, the House adjourned until Monday, June 30, 1969, at 12 o'clock noon.

OATH OF OFFICE

The oath of office required by the sixth article of the Constitution of the United States, and as provided by section 2 of the act of May 13, 1884 (23 Stat. 22), to be administered to Members and Delegates of the House of Representatives, the text of which is carried in section 1757 of title XIX of the Revised Statutes of the United States and being as follows:

"I A B, do solemnly swear (or affirm) that I will support and defend the Constitution of the United States against all enemies, foreign and domestic; that I will bear true faith and allegiance to the same; that I take this obligation freely, without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties of the office on which I am about to enter. So help me God."

has been subscribed to in person and filed in duplicate with the Clerk of the House of Representatives by the following Member of the 91st Congress, pursuant to Public Law 412 of the 80th Congress entitled "An act to amend section 30 of the Revised Statutes of the United States" (U.S.C., title 2, sec. 25), approved February 18, 1948: JOHN MELCHER, Second District, Montana.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

893. A letter from the Acting Director, Bureau of the Budget, Executive Office of the President, transmitting several plans for works of improvement prepared under the Watershed Protection and Flood Prevention Act, as amended, none of which involves a structure which provides more than 4,000 acre-feet of total capacity, pursuant to the provisions of the act (16 U.S.C. 1005); to the Committee on Agriculture.

894. A letter from the Assistant Administrator, Agency for International Development, Department of State, transmitting a copy of the semiannual report on architectural and engineering fees in excees of $25,000, for the period of July 1–December 31, 1968, pursuant to the provisions of section 102 of the Foreign Assistance and Related Agencies Appropriation Act; to the Committee on Appropriations.

895. A letter from the general counsel, National Council on Radiation Protection and Measurements, transmitting a report on the examination of the accounts of the council as of December 31, 1968, pursuant to the provisions of section 14(b) of Public Law 88–376; to the Committee on the Judiciary.

896. A letter from the Acting Director, Bureau of the Budget, Executive Office of the President, transmitting several plans for works of improvement prepared under the Watershed Protection and Flood Prevention Act, as amended, each of which involves at least one structure which provides more than 4,000 acre-feet of total capacity, pursuant to the provisions of the act (16 U.S.C. 1005); to the Committee on Public Works.

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. PATMAN: Committee on Banking and Currency. H.R. 2. A bill to amend the Federal Credit Union Act so as to provide for an independent Federal agency for the supervision of federally chartered credit unions, and for other purposes (Rept. No. 91–331). Referred to the Committee of the Whole House on the State of the Union.

Mr. PATMAN: Committee on Banking and Currency. House Joint Resolution 780. Joint resolution to provide for a temporary extension of the authority conferred by the Export Control Act of 1949 (Rept. No. 91–332). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON of California:

H.R. 12468. A bill to amend title 38, United States Code, to provide for the payment of pensions to veterans of World War I; to the Committee on Veterans' Affairs.

By Mr. BETTS:

H.R. 12469. 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.

H.R. 12470. A bill relating to the deduction for income tax purposes of contributions to certain organizations for judicial reform; to the Committee on Ways and Means.

By Mr. BROYHILL of North Carolina:

H.R. 12471. A bill to amend chapter 44 of title 18, United States Code, to exempt ammunition from Federal regulation under the Gun Control Act of 1968; to the Committee on the Judiciary.

By Mr. CHAMBERLAIN:

H.R. 12472. A bill to require the licensing by the States or the Federal Government of operators of certain vessels on navigable waters of the United States; to the Committee on Merchant Marine and Fisheries.

By Mr. CORMAN (for himself, Mr. BURKE of Massachusetts, Mr. BENNETT, Mr. ST GERMAIN, Mr. TIERNAN, Mr. ST. ONGE, Mr. O'NEILL of Massa-

chusetts, Mr. BOLAND, Mr. ROGERS of Colorado, Mr. MIKVA, Mr. VANIK, Mr. MESKILL, Mr. WEICKER, Mr. EDWARDS of California, Mr. HAWKINS, Mr. HATHAWAY, Mr. CLAY, Mr. ANDERSON of California, Mr. FASCELL, Mr. FUQUA, Mr. SYMINGTON, Mr. KYROS, Mr. BROWN of California, and Mr. WALDIE):

H.R. 12473. A bill to permit State agreements for coverage under the hospital insurance program for the aged; to the Committee on Ways and Means.

By Mr. DERWINSKI:

H.R. 12474. A bill to amend the Communications Act of 1934 so as to prohibit the granting of authority to broadcast pay television programs; to the Committee on Interstate and Foreign Commerce.

By Mr. DINGELL:

H.R. 12475. A bill to revise and clarify the Federal Aid in Wildlife Restoration Act and the Federal Aid in Fish Restoration Act, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. DULSKI (for himself and Mr. CORBETT):

H.R. 12476. A bill to amend title 5, United States Code, to provide for additional positions in grades GS–16, GS–17, and GS–18; to the Committee on Post Office and Civil Service.

By Mr. FRIEDEL:

H.R. 12477. A bill to promote public health and welfare by expanding, improving, and better coordinating the family planning services and population research activities of the Federal Government, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HOWARD:

H.R. 12478. A bill to amend the Communications Act of 1934 to prohibit the granting of authority by the Federal Communications Commission for the broadcast of pay television programs; to the Committee on Interstate and Foreign Commerce.

By Mr. KAZEN:

H.R. 12479. A bill to amend the Submerged Lands Act to establish the coastline of certain States as being, for the purposes of that act, the coastline as it existed at the time of entrance into the Union; to the Committee on the Judiciary.

By Mr. McCLORY:

H.R. 12480. A bill to amend the act entitled "An act to provide for the establishment of the Frederick Douglass home as a part of the park system in the National Capital, and for other purposes," approved September 5, 1962; to the Committee on Interior and Insular Affairs.

By Mr. MICHEL:

H.R. 12481. A bill to adjust agricultural production, to provide a transitional program for farmers, and for other purposes; to the Committee on Agriculture.

By Mr. O'KONSKI:

H.R. 12482. A bill to provide for the conveyance of certain mineral rights in and under lands in Dunn County, Wis.; to the Committee on Interior and Insular Affairs.

H.R. 12483. A bill to amend the act of August 13, 1946, relating to Federal participation in the cost of protecting the shores of the United States, its territories, and possessions, to include privately owned property; to the Committee on Public Works.

By Mr. OLSEN:

H.R. 12484. A bill to establish certain rights of professional employees in public schools operating under the laws of any of the several States or any territory or possession of the United States, to phohibit practices which are inimical to the welfare of such public schools, and to provide for the orderly and peaceful resolution of disputes concerning terms and conditions of professional service and other matters of mutual concern; to the Committee on Education and Labor.

By Mr. PODELL:

H.R. 12485. A bill to provide improved judicial machinery for the selection of juries, to further promote equal employment opportunities of American workers, to authorize appropriations for the Civil Rights Commission, to extend the Voting Rights Act of 1965 with respect to the discriminatory use of tests and devices, and for other purposes; to the Committee on the Judiciary.

By Mr. QUILLEN:

H.R. 12486. A bill to exempt a member of the Armed Forces from service in a combat zone when such member is the only son of a family, and for other purposes; to the Committee on Armed Services.

H.R. 12487. A bill to amend title 10 of the United States Code to prohibit the assignment of a member of an armed force to combat area duty if certain relatives of such member died or became totally disabled while serving in the Armed Forces in Vietnam; to the Committee on Armed Services.

By Mr. SCOTT:

H.R. 12488. A bill to restrict the mailing of credit cards; to the Committee on the Judiciary.

H.R. 12489. A bill to reform and modernize the Post Office Department, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. SHRIVER:

H.R. 12490. A bill to establish fee programs for entrance to and use of areas administered for outdoor recreation and related purposes by the Secretary of the Interior and the Secretary of Agriculture, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. WALDIE:

H.R. 12491. A bill to supplement the antitrust laws of the United States by providing for fair competitive practices in the termination of franchise agreements; to the Committee on the Judiciary.

H.R. 12492. A bill to amend the Tariff Schedules of the United States to permit the duty-free entry of certain personal effects of servicemen assigned to combat areas; to the Committee on Ways and Means.

By Mr. ZWACH:

H.R. 12493. A bill to amend the Atomic Energy Act of 1954 to permit a State, under its agreement with the Atomic Energy Commission for the control of radiation hazards, to impose standards (including standards regulating the discharge of radioactive waste materials from nuclear facilities) which are more restrictive than the corresponding standards imposed by the Commission; to the Joint Committee on Atomic Energy.

By Mr. COLLIER:

H.J. Res. 799. Joint resolution to provide for the issuance of a special postage stamp in commemoration of Gen. Douglas MacArthur; to the Committee on Post Office and Civil Service.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ADDABBO:

H.R. 12494. A bill for the relief of Francesco and Orsola Miceli and minor son, Vito Miceli; to the Committee on the Judiciary.

By Mr. BARRETT:

H.R. 12495. A bill for the relief of Annibale Cuozzo; to the Committee on the Judiciary.

By Mr. BIAGGI:

H.R. 12496. A bill for the relief of Polberto Obias Baranuelo; to the Committee on the Judiciary.

By Mr. GOODLING:

H.R. 12497. A bill for the purposes of the Immigration and Nationality Act and in the interest of Mrs. Kathleen Alice Heinze; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

157. By the SPEAKER: Petition of Roger Sherman Bandy, Decatur, Ill., relative to redress of grievances; to the Committee on the Judiciary.

158. Also petition of Geraldine M. Vickers, Lawndale, Calif., relative to redress of grievances; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

AMERICA'S HERITAGE OF FREEDOM

HON. BILL ALEXANDER

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 27, 1969

Mr. ALEXANDER. Mr. Speaker, a constituent from the First Congressional District of Arkansas recently sat down to record his ideas on "America's Heritage of Freedom." The resulting article on the price and responsibilities of freedom is worth the serious consideration of all of us as we approach the 193d birthday of our Nation.

The article, written by Mr. Rudy Thomas of Caraway, Ark., was printed in the local newspaper in Caraway. I commend it to the attention of each of my colleagues and include it in the RECORD at this point:

AMERICA'S HERITAGE OF FREEDOM

(By Rudy Thomas)

Another Glorious Fourth of July is just around the corner. It is a day remembered and celebrated as the birthday of our nation. Come next July 4th our nation will be 193 years old. This may sound as if ours is a very old nation, but quite the contrary, it is still a relatively young nation.

As we pause from our daily routine of life to once again celebrate our national birthday let us examine in all candor some of the basic elements that have made our America the greatest nation in the world today. Freedom as men know it under American government is indeed new. It has come to us only after men struggled for centuries to exercise their rights to be free, to throw off the fetters of tradition. Throughout most of the world's history men have lived their daily lives under rigid rules.

From birth to death primitive people obeyed tribal custom and taboos. As civilization arose, despot kings held the power of life and death over their subjects. In the middle ages merchants gained some business rights, but the poor peasant remained in bondage to his feudal lord. The turning point in these deplorable social conditions seems to have been steered by the hand of God. The spread of Christianity began to undermine the ancient idea that men were