know whether they counted me as a supporter of the ABM or whether they counted me as being opposed to the ABM.

But I am going to follow the same procedure that the Senator states he has been following for 23 years. I am not going to answer any polls as to how I shall vote on such a controversial issue as the ABM. I think the time to cast one's vote is when the roll is called; and if I wish to indicate prior to that time what my position is by way of a speech on the floor of the Senate, by way of some announcement on the radio, or via television, or by issuance of a news release that is for me to determine. But I do not intend to answer any polls. Perhaps at some time in past years I may have responded to some polls on other issues, I do not recall; but, if so, I do not intend to do it again; and it has been my policy for quite some time not to do so.

Mr. WILLIAMS of Delaware. I thank the Senator.

I think this can be a dangerous practice. Again, I do not question the good intentions or the propriety of the members of the press in conducting these polls. If I were a reporter, I suppose I would do the same as they are doing, but it is our fault if we answer them. If we answer one poll, then why do we not answer this poll or the next poll? In the Finance Committee we act on proposed legislation which involves major changes in tax rates that can affect financial markets. I think it would be very dangerous to adopt a practice in which the members of that committee could be polled in advance of the votes.

I have served on this committee with the Senator from Virginia, Mr. Harry F. Byrd, Sr., and before that I served with the Senator from Georgia, Mr. George, and with the Senator from Colorado, Mr. Millikin, as chairmen. They emphasized to all the new members of that committee the importance of not letting the committee be used by those who would turn the information to their own advantage. I have tried to live up to that standard.

One person called our office this week in a private poll—not a member of the press—and told the gentleman in my office that it was very important. They were checking the poll on the votes for the ABM as it had been related in the press to see whether or not it was accurate. They were trying to get the position I would take on the ABM as well as the position of other Senators because he said their clients wanted more factual information as to what was going to happen on this bill.

This illustrates the danger we could get into if we, as Members of the Senate, adopted a procedure whereby we could be polled a week or two in advance as to how we were going to vote. If 99 or 100 percent of the Members of the Senate have actually made up their minds then let us vote.

That illustrates the ridiculousness of this polling process, and I thought I would make clear my reasons as to why I think the problem of polling should be checked.

Mr. BYRD of West Virginia. I thank the Senator.

So far as I am concerned, I think it is my responsibility to take a position on the issues that come before us for decision, but I do not think that I have a duty to respond to polls as to how I intend to vote on any issue. I think it is demeaning to the Senate to do so. Naturally, if I take a position and make that position known in a speech, that vote can be counted as I so state. But as to answering polls per se, I am not going to do it; and I think it is wrong for the impression to be given out that 100 Senators have been polled on this issue or any other issue when, as a matter of fact, they have not been so polled. I, too, do not question the good intentions of any pollster. But 100 Senators have not been polled on the ABM. As far as I am aware, even the leadership on this side of the aisle has made no attempt to conduct a poll on this issue.

I can only speak for one Senator, but mine is one of the votes out of 100. Perhaps 99 other Senators were polled, and perhaps it was not considered necessary to poll the junior Senator from West Virginia. Nevertheless, I think it is wrong to state that all Senators have been polled when such is not the case. It might conceivably cause some Senator to change his position some day just for the heck of it, to show that the polls are not always right.

Mr. WILLIAMS of Delaware. I thank the Senator.

ADJOURNMENT

Mr. BYRD of West Virginia. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 7 minutes p.m.) the Senate adjourned until tomorrow, Wednesday, July 16, 1969, at 12 o'clock noon.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 15, 1969:

DEPARTMENT OF JUSTICE

Bethel B. Larey, of Arkansas, to be U.S. attorney for the western district of Arkansas for the term of 4 years.

U.S. ASSAY OFFICE AT NEW YORK, N.Y.

Nicholas Costanzo, of New York, to be Superintendent of the U.S. assay office at New York, N.Y.

NOMINATIONS

Executive nominations received by the Senate July 15, 1969:

U.S. AIR FORCE ACADEMY

Col. William R. Jarrell, Jr., [redacted], for appointment as Registrar, U.S. Air Force Academy, under the provisions of section 9333(c), title 10, United States Code.

Richard H. White, cadet of the U.S. Air Force Academy, for appointment in the Regular Air Force, in the grade of second lieutenant, effective upon his graduation, under the provisions of section 8284, title 10, United States Code. Date of rank to be determined by the Secretary of the Air Force.

HOUSE OF REPRESENTATIVES—*Tuesday, July 15, 1969*

The House met at 12 o'clock noon.

Rev. James L. Powell, Jr., First Baptist Church, Mount Airy, N.C., offered the following prayer:

Lord, we pray for the Members of this great body today, and all those who share in its labors.

Teach them courageous leadership, based on faith and not on fear.

Forgive them when they talk too much and think too little; when they worry so often and pray so seldom.

Take away the stubborn pride that keeps them from apology and makes them unwilling to open their hearts honestly to their colleagues.

Deliver them from the blasphemy of optimism that is mere wishful thinking, but give them a courage to want to stand for something, lest they fall for anything.

For conscience sake, for God's sake; help us to give a good account of ourselves in these days.

In our Lord's name, we pray. Amen.

THE JOURNAL

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

MESSAGE FROM THE SENATE

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

H.R. 1828. An act to confer U.S. citizenship posthumously upon James F. Wegener;

H.R. 1948. An act to confer U.S. citizenship posthumously upon Pfc. Joseph Anthony Snitko;

H.R. 2224. An act for the relief of Franklin Jacinto Antonio;

H.R. 2536. An act for the relief of Francesca Adriana Millonzi;

H.R. 2890. An act for the relief of Rueben Rosen;

H.R. 3166. An act for the relief of Aleksandar Zambeli;

H.R. 3167. An act for the relief of Ryszard Stanislaw Obacz;

H.R. 3172. An act for the relief of Yolanda Fulgencio Hunter;

H.R. 3376. An act for the relief of Maria da Conceicao Evaristo;

H.R. 7215. An act to provide for the striking of medals in commemoration of the 50th anniversary of the U.S. Diplomatic Courier Service; and

H.R. 10060. An act for the relief of L. Cpl. Peter M. Nee (2465662).

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. 267. An act for the relief of Lt. Col. Samuel J. Cole, U.S. Army (retired);

S. 571. An act for the relief of Dr. Diego Aguilar Aranda;

S. 1110. An act for the relief of Nickolas George Polizos;

S. 1526. An act for the relief of Dr. Zeliha Bilsel;

S. 1527. An act for the relief of Dr. Yilmaz Bilsel;

S. 1645. An act for the relief of Andrew Chu Yang;

S. 1798. An act for the relief of Dr. Yovuz Aykent;

S. 1963. An act for the relief of Wu Hip;

S. 2019. An act for the relief of Dug Foo Wong;

S. 2462. An act to amend the joint resolution establishing the American Revolution Bicentennial Commission; and

S.J. Res. 85. Joint resolution to provide for the designation of the period from August 26, 1969, through September 1, 1969, as "National Archery Week."

REQUEST FOR PERMISSION FOR SUBCOMMITTEE OF THE COMMITTEE ON ARMED SERVICES TO SIT DURING GENERAL DEBATE TODAY

Mr. PIKE. Mr. Speaker, I ask unanimous consent that the Subcommittee on the Investigation of the *Pueblo* of the Committee on Armed Services be permitted to sit this afternoon during general debate.

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

Mr. HALL. Mr. Speaker, reserving the right to object, may I ask my distinguished colleague, the gentleman from New York, if this request has been cleared with the ranking minority member of that committee?

Mr. PIKE. It has been cleared with Mr. BRAY, the ranking minority member.

Mr. HALL. Further reserving the right to object, Mr. Speaker, may I ask if there is some compelling reason why this committee should sit at this particular time while we have important legislation under debate on the floor of the House, for which some of the members of that committee must be in attendance this afternoon at a time certain?

Mr. PIKE. The most compelling reason that I can find is the fact that because the full committee is meeting every morning on a daily basis the subcommittee does not have much other chance to meet, and we would like to get the report out.

Mr. HALL. Mr. Speaker, I am anxious to get the report out, also, and I think I understand the other reasons, but I am constrained to object to that committee meeting this afternoon during debate on the extension of Appalachia.

The SPEAKER. Objection is heard.

TAX REFORM

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

Mr. HUNGATE. Mr. Speaker, as we proceed to consider tax reform we may undoubtedly expect considerable correspondence on the subject. Some companies are already seeking to be helpful and to stimulate congressional mail.

The following statement is on a slip enclosed with credit cards and credit billings:

YOU SHOULD KNOW ABOUT THIS NOW

As part of its effort to draft a revised tax program, Congress is considering reducing the percentage depletion allowed producers of oil. Any change in this provision will affect the oil industry and its customers. The provision basically is an incentive to motivate people to invest money in the high-risk business of trying to find oil.

We need oil—because you need gasoline. If Congress so changes the depletion provision—prices for oil and gasoline will, we're convinced, go up significantly. We want you to realize this before Congress acts. If you agree, please take a minute to write your Congressman and tell him that changing this provision will not close a "tax loophole" but will result in higher prices to the customer.

SUN OIL CO.—DX DIVISION.

THE PRESIDENT'S MESSAGE ON NARCOTICS AND DANGEROUS DRUGS—WITH EMPHASIS ON FACTUAL DATA

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

Mr. BROWN of Ohio. Mr. Speaker, the President of these United States, Richard M. Nixon, serves his country well with this sensitive and farsighted program which he announced yesterday. It is a credit to his entire administration that they have offered a coordinated response to the needs which this expanding social and moral problem presents.

I am particularly impressed with certain points within the President's program. Research in every field from genetics and neurosurgery to social psychology needs be conducted or compiled and conclusions reached upon the entire narcotics field. It will only be after effective and thorough research of, at least, the more popular items such as marihuana and the amphetamines and barbiturates that professionals within and without government will know fully and accurately the extent of the problem we face. Equipped with conclusions from valid research, the legislature will know best how to cope with this situation which threatens to spiral beyond our control. Second, the curious and experimenting youth is more likely to be convinced by the logic and data, demonstrating the damage he risks, than he is by an edict which tells him "no" but fails to convince him why he should not "turn on" or "trip out."

The second feature of the program which impresses me is that it proposes a firm stand by all government, Federal, State, and municipal, that there is no promise of relaxation of the laws regulating abuse of dangerous drugs. As an author of the legislation passed in the last session to control LSD, I feel strongly that any doubt as to the destructive power of any drug must be resolved in favor of the welfare of the people. As long as the possibility exists that a drug may be addictive, may be corrosive to one's physical health and of one's psychological balance, there should and must be effective, strict, and complete regulation of its transmission in commerce and of its use.

ELECTIONS IN SOUTH VIETNAM

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

Mr. TAFT. Mr. Speaker, I take this time to associate myself with the remarks of the gentleman from Indiana (Mr. ADAIR) regarding the recent offer of elections by President Thieu, as endorsed by President Nixon.

The steps that have been taken and the offer that has been made are of great significance. Just today, Mr. Max Frankel, writing in the New York Times, commented on evidence of "restlessness, weariness, and dissent in North Vietnam." In part, that article reads as follows:

A distinct but still minority share of power is what the Nixon Administration has so far offered the Viet Cong.

As President Thieu has again pointed out yesterday, this represents a maximum offer on the subject. Those who deprecate the offer seem to want to commit the administration indirectly to the unconditional withdrawal which none are willing to espouse directly.

Fairness and firmness represented by the current approach seem far more likely of bringing a meaningful response.

REQUEST FOR PERMISSION FOR SUBCOMMITTEE ON LABOR, COMMITTEE ON EDUCATION AND LABOR, TO SIT TODAY DURING GENERAL DEBATE

Mr. PERKINS. Mr. Speaker, I ask unanimous consent that the Daniels Subcommittee on Labor of the Committee on Education and Labor be permitted to sit this afternoon during general debate in order to hear one witness.

Mr. Speaker, the Daniels subcommittee, if my information is correct, would like to sit this afternoon to hear a witness that they were unable to hear this morning in connection with the so-called pneumoconiosis hearings—the black lung hearings—and want to accommodate the witness.

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

Mr. GROSS. Mr. Speaker, reserving the right to object, I would like to ask the gentleman from Kentucky if this has been cleared with the ranking minority member of the subcommittee?

Mr. PERKINS. No, it has not, but I am sure that there would be no objection on the part of the ranking member of the subcommittee.

Mr. GROSS. Well, will the gentleman withhold his request until the ranking member can be contacted?

Mr. PERKINS. I shall do so.

The SPEAKER. The gentleman from Kentucky withdraws his unanimous-consent request.

LAUNCH OF APOLLO 11 ONE OF THE GREAT EVENTS OF RECORDED HISTORY

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

Mr. FREY. Mr. Speaker, the launch of Apollo 11 tomorrow to the moon is one of the great events of recorded history. Mankind has talked about this not for tens of years but for centuries. It is hard to believe, but even more difficult when one realizes that we did not take our first step into space until 1958. This is a dangerous venture, even with the many safeguards employed. There is no guarantee of success.

The entire space team, ranging from the technicians to the astronauts, are putting their intelligence, dedication, and courage on the line in order to prove man's ability to travel in space. Never before has the American spirit been so prominently on display for the whole world to observe and admire. As with all Americans, our prayers are with the astronauts. Good luck, God speed.

ANNOUNCEMENT OF HEARINGS BY THE SUBCOMMITTEE ON HOUSING

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

Mr. BARRETT. Mr. Speaker, the Subcommittee on Housing of the Committee on Banking and Currency will begin hearings on Thursday, July 17, to consider pending legislation including the administration's proposals which I understand will be introduced today. The bills before us do not include major innovative programs of the magnitude of our bills in 1965, 1966, and 1968, but they do include many important provisions such as the extension of FHA mortgage insuring authority and Farmers Home Administration programs, which in existing law have expiration dates of October 1. It is regrettable that we have been delayed this long in starting our hearings but, of course, we could not move until the administration had time to prepare its own proposals. It is our hope that we can proceed quickly and enact legislation well before October 1.

EXTENDING THE CONGRATULATIONS OF THE CONGRESS OF THE UNITED STATES TO ORGANIZED BASEBALL UPON THE OCCASION OF ITS CENTENNIAL YEAR

Mr. ALBERT. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Concurrent Resolution 300.

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

There was no objection.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 300

Concurrent resolution extending the congratulations of the Congress of the United States to organized baseball upon the occasion of its centennial year

Whereas, baseball is among the oldest outstanding national games of the United States, combining the zest of the amateur with the skills of the professional and providing excitement, drama, interest, and entertainment both for participants and for spectators; and

Whereas, although baseball was already being widely played, watched, and attended in various forms on a largely amateur or recreational basis, the development of the game to its present status as a national institution truly began with the organization of America's first professional baseball team in 1869; and

Whereas, the year 1969 marks the one-hundredth anniversary of organized professional baseball in the United States and is baseball's centennial year; and

Whereas, the playing of the Fortieth All-Star Baseball Game, on July 22, 1969, in Washington, District of Columbia, together with related activities and observances in Washington and throughout the country, is the occasion for the special celebration of baseball's centennial year; and

Whereas, it is fitting that appropriate recognition be given to the many contributions which baseball has made to the American way of life both as a sport and as an expression of the American spirit: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That, to commemorate the one-hundredth anniversary in 1969 of the birth of organized baseball, the Congress of the United States officially recognizes the year 1969 as baseball's centennial year and extends its congratulations and best wishes to the Commissioner of Baseball, the President of the National League, the President of the American League, the twelve teams of the National League, and the twelve teams of the American League, and the several minor leagues and all other organizations and individuals participating in or connected with organized baseball.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

PERMISSION FOR SUBCOMMITTEE ON LABOR TO SIT DURING GENERAL DEBATE TODAY

Mr. PERKINS. Mr. Speaker, again I renew my unanimous-consent request that the Daniels Subcommittee on Labor be permitted to sit this afternoon during general debate.

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

There was no objection.

PRIVATE CALENDAR

The SPEAKER. This is Private Calendar day. The Clerk will call the first individual bill on the Private Calendar.

JOHN VINCENT AMIRAULT

The Clerk called the bill (H.R. 2552) for the relief of John Vincent Amirault.

Mr. DUNCAN. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

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

There was no objection.

REFERENCE OF CLAIM OF JESUS J. RODRIGUEZ

The Clerk called the House Resolution 86, referring the bill (H.R. 1691) to the Chief Commissioner of the Court of Claims.

Mr. DUNCAN. Mr. Speaker, I ask unanimous consent that this resolution be passed over without prejudice.

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

There was no objection.

MRS. BEATRICE JAFFE

The Clerk called the bill (H.R. 1865) for the relief of Mrs. Beatrice Jaffe.

Mr. DUNCAN. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is ther objection to the request of the gentleman from Tennessee?

There was no objection.

AMALIA P. MONTERO

The Clerk called the bill (H.R. 6375) for the relief of Amalia P. Montero.

Mr. DUNCAN. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

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

There was no objection.

MARTIN H. LOEFFLER

The Clerk called the bill (H.R. 3165) for the relief of Martin H. Loeffler.

Mr. DUNCAN. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

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

There was no objection.

VISITACION ENRIQUEZ MAYPA

The Clerk called the bill (H.R. 6389) for the relief of Visitacion Enriquez Maypa.

Mr. HALL. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

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

There was no objection.

ERNESTO ALUNDAY

The Clerk called the bill (S. 648) for the relief of Ernesto Alunday.

There being no objection, the Clerk read the bill, as follows:

S. 648

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of sections 203(a)(1) and 204 of the Immigration and Nationality Act, Ernesto Alunday shall be held and considered to be the natural-born alien son of Teodoro A. Alunday, a citizen of the United States: *Provided*, That no natural parent or brothers or sisters of the beneficiary, by virtue of such relationship, shall be accorded any right, privilege, or status under the Immigration and Nationality Act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

YAU MING CHINN (GON MING LOO)

The Clerk called the bill (S. 1438) for the relief of Yau Ming Chinn (Gon Ming Loo).

Mr. HALL. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

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

There was no objection.

CAPT. MELVIN A. KAYE

The Clerk called the bill (H.R. 1453) for the relief of Capt. Melvin A. Kaye.

Mr. DUNCAN. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

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

There was no objection.

ROBERT G. SMITH

The Clerk called the bill (H.R. 3723) for the relief of Robert G. Smith.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

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

There was no objection.

DR. EMIL BRUNO

The Clerk called the bill (H.R. 4105) for the relief of Dr. Emil Bruno.

Mr. DUNCAN. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

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

There was no objection.

MRS. RUTH BRUNNER

The Clerk called the bill (H.R. 9488) for the relief of Mrs. Ruth Brunner.

Mr. HALL. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

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

There was no objection.

Mr. BOLAND. Mr. Speaker, I ask unanimous consent that the further call of the Private Calendar be dispensed with.

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

There was no objection.

The SPEAKER. This concludes the call of the Private Calendar.

CALL OF THE HOUSE

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

The SPEAKER. Evidently a quorum is not present.

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

A call of the House was ordered.

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

[Roll No. 105]

Abbitt	Fraser	O'Neill, Mass.
Addabbo	Frelinghuysen	Ottinger
Ashley	Gallagher	Patten
Aspinall	Gray	Pollock
Berry	Green, Oreg.	Powell
Betts	Halpern	Preyer, N.C.
Boggs	Hamilton	Price, Ill.
Brock	Hanna	Pryor, Ark.
Broomfield	Hansen, Idaho	Reifel
Brown, Calif.	Harsha	Ronan
Buchanan	Hogan	Sandman
Burton, Utah	Jarman	Scheuer
Cahill	Karth	Shipley
Camp	Kirwan	Stanton
Carey	Kleppe	Steiger, Ariz.
Chappell	Lipscomb	Steiger, Wis.
Clay	Lloyd	Teague, Tex.
Conyers	Long, Md.	Tunney
Cunningham	McCarthy	Watson
Davis, Ga.	McClure	Wilson, Bob
Dawson	Macdonald, Mass.	Wilson, Charles H.
de la Garza	May	Wolff
Delaney	Mize	Wright
Downing	Morgan	
Esch	Obey	
Fisher		

The SPEAKER. On this rollcall 359 Members have answered to their names, a quorum.

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

PERMISSION FOR COMMITTEE ON RULES TO FILE A PRIVILEGED REPORT

Mr. ANDERSON of Tennessee. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file a privileged report.

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

There was no objection.

PERMISSION FOR COMMITTEE ON THE JUDICIARY TO SIT DURING GENERAL DEBATE THURSDAY, JULY 17, 1969

Mr. ANDERSON of Tennessee. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary may be permitted to sit during general debate on Thursday, July 17.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

APPALACHIAN AND REGIONAL ACTION PLANNING COMMISSIONS

Mr. ANDERSON of Tennessee. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 473 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 473

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4018) to provide for the renewal and extension of certain sections of the Appalachian Regional Development Act of 1965. After general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Public Works, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Public Works now printed in the bill, and such substitute for the purpose of amendment shall be considered under the five-minute rule as an original bill. At the conclusion of such consideration, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

Mr. ANDERSON of Tennessee. Mr. Speaker, I yield 30 minutes to my distinguished colleague, the gentleman from Tennessee (Mr. QUILLEN), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 473 provides an open rule with 2 hours of general debate for consideration of H.R. 4018 to provide for the renewal and extension of certain sections of the Appalachian Regional Development Act of 1965 and of title V of the Economic Development Act of 1965. The resolution also provides that it shall be in order to consider the committee substitute as an original bill for the purpose of amendment.

Title V of the Public Works and Economic Development Act of 1965 authorized five regional development commissions. These commissions, which were designated in 1966, are the Ozarks, New England, Upper Great Lakes, Four Corners, and Coastal Plains Regional Commissions—shown on page 21 of the report.

Title I of H.R. 4018 amends title V of that act.

To permit broader use of funds for studies, technical assistance and demonstration projects, and training programs, and to confirm that the Federal Government will provide 50 percent of the administrative expenses of the commissions, the bill expands the authorization for technical and planning assistance to and through the commissions. To permit flexibility in administration, the authorization presently in section 505(c) of title V is repealed in favor of a single authorization in section 509 of the act, which currently authorizes supplemental grant assistance.

The bill amends section 509 to authorize funds to be used to make all or any portion of the basic Federal grant for a program authorized by existing Federal law. Currently, supplemental grants assist financially inadequate local governments to meet matching requirements for Federal grants-in-aid. The Commission's authority would be expanded to permit it to make the basic Federal grant in the case of an other-

wise authorized program where funds are not available within the regions from the national programs for that purpose.

Title V is amended to authorize for the 2-fiscal-year period ending June 30, 1971, not to exceed $225 million. Not less than 10 percent nor more than 30 percent of the sums appropriated for any one fiscal year shall be made available to any one regional commission.

A new section is added to title V which requires the Secretary to coordinate his activities in making grants and loans under titles I and II with those of the Federal cochairmen of the regional commissions. The Federal cochairmen are also required to coordinate their activities in making such grants with those of the Secretary of Commerce.

Title II of H.R. 4018 amends the Appalachian Regional Development Act.

The act is amended to authorize to the Commission to be available until expended not to exceed $1,900,000 for the 2-fiscal-year period ending June 30, 1971. Not to exceed $475,000 of the authorization shall be available for the expenses of the Federal cochairman, his alternate, and his staff.

The bill does not increase the amount authorized by the 1967 amendments to the act.

The act is amended to make clear the intention of the Congress that contract authority, as used in the Federal-aid highway program, should apply to the Appalachian development highway system and local access roads.

Not to exceed $85 million is authorized for demonstration health projects for the 2-fiscal-year period.

Not to exceed $15 million is authorized for the 2-fiscal-year period for contracts of up to 10 years for assistance to landowners, operators, or occupiers of land in the Appalachian region. Such contracts provide for land stabilization and erosion and sediment control, and so forth.

Not to exceed $15 million is authorized to assist in the sealing and filling of voids in abandoned coal mines, and related purposes. Funds are authorized for mine fire control programs to be made available on a grant-in-aid basis.

Not to exceed $2 million is authorized for the 2-fiscal-year period for housing projects.

Not to exceed $50 million is authorized for vocational programs.

Not to exceed $75 million is authorized for grant-in-aid programs.

Not to exceed $8 million is authorized to make grants to the Commission for administrative expenses including technical services of local development districts.

Mr. Speaker, I urge the adoption of House Resolution 473 in order that H.R. 4018 may be considered.

Mr. Speaker, I failed to mention that the resolution also provides that it shall be in order to consider the committee substitute as an original bill for the purpose of amendment.

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

Mr. ANDERSON of Tennessee. I am glad to yield to the gentleman from Iowa.

Mr. GROSS. Has any way been found to move the Appalachian Mountains around so that the good things of life could be spread to a wider area of the country?

Mr. ANDERSON of Tennessee. As the gentleman knows, the program has been extended somewhat. In addition to the Appalachian region, this bill covers four additional commissions, some of which are in the East and some in the West.

Mr. GROSS. I notice that for the purpose of building so-called access roads, the Appalachian region has been extended to Alabama, Mississippi, and South Carolina. They are listed in what is termed in the report "Appalachian Highway Program Financing Needs, State-by-State Summary." Does the gentleman have any suggestions as to how more people could share in these good things of life that are distributed so freely from the Federal Government under this Appalachian program that now embraces an area from New York down to Mississippi, Alabama, and South Carolina?

Mr. ANDERSON of Tennessee. I appreciate the gentleman's question. Perhaps we see more use of what some people term "creeping federalism," and perhaps the Appalachian region can creep out a little further.

Mr. GROSS. It has not been contemplated to extend the Appalachian region down into Florida or perhaps out to California.

Mr. ANDERSON of Tennessee. I do not believe that there is any contemplation to make any further substantial increase in the area. I think it will remain essentially as it is.

Mr. Speaker, I yield to the gentleman from Tennessee.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the bill, H.R. 4018, upon the adoption of House Resolution 473, will be presented under an open rule with 2 hours of general debate with the committee substitute made in order.

As the distinguished gentleman from Tennessee (Mr. ANDERSON) has said, the purpose of the bill is to authorize for 2 fiscal years—1970 and 1971—funds for the continuation of the programs operated by the Appalachian Regional Development Act and the companion Public Works and Economic Development Act.

The Appalachian program was first enacted in 1965. It created a regional commission made up of Governors of the affected States and a Federal cochairman. The Commission developed programs and administered them after implementation in a number of areas, all aimed at improving the educational, health, and industrial facilities in the Appalachian area.

Later that same year, regional commissions were authorized under the Public Works and Economic Development Act. These commissions are now in operation in the Ozarks, New England, Upper Great Lakes, Utah, Colorado, New Mexico, Arizona, and the Carolinas, and Georgia.

Title I of the bill deals with the regional planning commissions which have as their chief purpose the development of programs to stimulate economic growth in their respective areas and of making recommendations to the Congress supporting programs they believe will stimulate growth.

In the first several years of the Commission's existence, the technique was developed to supply supplemental grants and technical assistance to provide additional Federal funds in support of comprehensive area development programs.

This concept is expanded by this bill, H.R. 4018, to permit broader use of such funds and detailed studies, technical assistance, and demonstration projects, including construction where necessary for such demonstration projects.

The existing act is amended to grant each regional commission expanded authority to permit it to utilize its own funds to make the basic Federal grant in cases where a federally authorized program is not available to the region served by the commission because of lack of funds within that regional program.

This amendment will permit the use of such programs as the Water Pollution Control Act, Watershed Protection and Flood Prevention Act, and so forth, by the use of the supplemental funds authorized to the regional commissions.

Any regional commission using expanded authority to make a basic Federal grant must work with the Federal official administering the grant program. Such official must certify that the project for which the grant is proposed meets all requirements of the Federal grant-in-aid program and would be approved if funds were available.

The bill authorizes, for fiscal 1970 and 1971, $225 million for the use of the regional commissions. Not less than 10 percent nor more than 30 percent of the sums appropriated in any one fiscal year may be made available to one regional commission.

Title II of the bill deals with Appalachian regional development. The program is extended for 2 years, fiscal 1970 and 1971. Funds authorized total $250 million for this period and are broken down as follows:

For health demonstration projects, $85 million.

For land conservation and erosion control, $15 million;

For mining lands restoration, $15 million;

For housing programs, $2 million;

For vocational education facilities and programs, $50 million;

For supplemental grants, $75 million; and

For administrative expenses of regional development districts, $8 million.

The highway program which provides for the construction of 2,700 miles of development highways and 1,000 miles of access roads is presently authorized at $1 billion, $15 million through fiscal 1971.

The bill (H.R. 4018) amends this to extend this authorization through fiscal 1972. It does not increase the authorization amount. It is now estimated that construction cannot be completed by

the earlier date. In order to insure construction as rapidly as feasible on a basis of overall and comprehensive planning, the committee believed the time period required a 1-year extension.

Finally, the bill authorizes $1,900,000 for administrative expenses of the Appalachian Regional Commission for 2 fiscal years, 1970 and 1972, and limits the expenses of the Federal Cochairman and his staff to $475,000 of that amount.

Mr. Speaker, the Appalachian regional program has proved itself in the time it has been in effect and I am anxious to see it continue. In a relatively short time, enormous progress has been made to construct a development highway system in the region, to develop health and education facilities, to deal with erosion, water resources, and other improvements to unlock the enormous potential of this proud area of our country. The progress is substantial, but more time is needed to complete the work that has been so well begun.

What has been thus far accomplished is a tribute to the close cooperation of all levels of government and all types of people in taking the limited assistance authorized by the act and making it work for the betterment of the people and the Appalachian area.

The Appalachian Regional Commission is in itself a good example of the work that can be accomplished when State and Federal representatives can meet and work out policies together about what kind of aid is needed, where and how much. Final decisions on expenditures are made jointly, and I am inclined to believe this means they are more applicable to the particular problems of the States involved.

I can best speak for the Appalachian program by pointing out some of the projects which have so greatly benefited the First District of Tennessee, which I represent. Every county in the district has reaped benefits from the program.

The program's funds have been used for construction on hospitals in Cocke County and Greene County, for nursing homes in Rogersville, Jefferson City, Sevierville, Johnson City, and Kingsport. With the help of the program's funds, access roads have been built in Hancock, Hawkins, Johnson, and Unicoi Counties. Vocational schools in Carter, and Sullivan, and Washington Counties have benefited. A supplemental grant went to Elizabethton's Blue Springs Utility District in Carter County, as well as to sewer and water projects in Greene, Hawkins, Sevier, Sullivan, and Washington Counties. Lastly, grants for educational equipment and facilities have gone to schools and colleges throughout the First District.

It is important, however, to point out that the benefits of this program go not just to the immediately affected areas of the Appalachian region, but to the country as a whole.

If we are to effectively deal with the problems of the cities, problems we hear more and more about through newspaper reports of troubled areas, we must find opportunities, jobs, adequate living and working areas, outside the great metropolitan areas.

If we would judge the effectiveness and need of the Appalachian program, we have only to compare the continuing cost to our Government of welfare, support and subsistence, and similar Federal expenditures in the area to the immediate cost of a remedial effort to do away with much of the need for such payments.

The focus of the Appalachian program is not on welfare or relief but opportunity. It attacks the fundamental obstacles to economic growth in the Appalachian area, the need for access, the need for better education, for health facilities, for erosion control, for exploitation of its water resources and for dealing with the peculiar legacy of coal mining.

Beyond these forms of assistance, the focus is on organizing all levels of government to do a better job with other Federal, State, and local programs and funds.

The ultimate objective is to attract private capital, productive enterprise and jobs, which in the final analysis is the solution to the Appalachian problem.

Mr. Speaker, I have no further requests for time but I reserve the balance of my time.

Mr. Speaker, I urge adoption of the rule.

Mr. ANDERSON of Tennessee. Mr. Speaker, I have no further requests for time.

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.

Mr. JONES of Alabama. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4018) to provide for the renewal and extension of certain sections of the Appalachian Regional Development Act of 1965.

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

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 4018, with Mr. SLACK in the chair.

The Clerk read the title of the bill.

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

The CHAIRMAN. Under the rule, the gentleman from Alabama (Mr. JONES) will be recognized for 1 hour, and the gentleman from Florida (Mr. CRAMER) will be recognized for 1 hour.

The Chair recognizes the gentleman from Alabama.

Mr. JONES of Alabama. Mr. Chairman, I yield such time as he may consume to the gentleman from Maryland, the chairman of the Committee on Public Works (Mr. FALLON).

Mr. FALLON. Mr. Chairman, I rise in support of H.R. 4018, legislation which will renew and extend title V of the Public Works and Economic Development Act of 1965 and the Appalachian Regional Development Act of 1965.

I am especially grateful to the gentleman from Alabama (Mr. JONES), who so ably chaired the subcommittee during the long and intensive deliberations on this bill, also the gentleman from Florida (Mr. CRAMER).

I am proud of the work the committee has done, because we feel that we have a vested interest in this legislation. The committee was and is now very much a proud parent of the legislation and the program which has translated so much of its very great promise into reality.

Mr. Chairman, this legislation has the full support of the members of the Committee on Public Works and the record of the hearings held on the bill indicates complete support from all areas of the country which are affected by the legislation.

This is a gratifying program because it deals with the substance of people's lives. It is designed to make life better and easier for people who have had it so hard for so long and the fact that it is achieving its purpose is a very great reward for us on the Committee on Public Works. The committee has worked hard on the bill before you. It heard from 25 witnesses during 8 days of hearings. Almost without exception, the testimony praised what the program has done and urged its continuation. The Governors of 13 States, Members of this body, local officials, and interested people were unanimous in their affection for the whole idea. To me there is no greater monument to any program.

The Appalachian legislation is older and more advanced than the regions set up under title V of the Economic Development Act of 1965. Its record of achievement more than commands our commitment. It demands that we finish the job that has been well begun.

In the case of other regional commissions, we are just now coming to the threshold of achievement. It would be unfair and improper to close the door on them.

This legislation, if allowed to realize its full potential, may set the pattern for future encouragement and cultivation of economic growth. This may be the key to the successful solution of the Nation's nagging economic problems with the federal system working at its best.

No small element in the success of this enterprise is the way in which the States and Federal Government have been able to work in concert toward a common goal. We have the States' testimony on how well that has worked. It is not that commonplace to hear so much praise for a Federal program from the State governments.

This program initiated in 1965 in a few short years has already given a much needed boost to the economy and the development of those regions of our Nation which are covered by the Appalachian Range and which are known as the Appalachia area.

The success of the Appalachian program has provided the impetus for development of regional commissions similar to the Appalachian Commission in other sections of our Nation. This includes the New England Commission, composed of the six New England States; the Coastal Plains Commission, composed of parts of North and South Carolina, and Georgia; the Great Lakes Commission, composed of segments of Wisconsin, Michigan, and Minnesota; the Ozarks Commission, composed of Oklahoma, Arkansas, Kansas, and Missouri; and the Four Corners, composed of Colorado, New Mexico, Arizona, and Utah. These commissions have just come into being. In 1967 we passed legislation which gave them funds for technical assistance and program development. The legislation provides funds for these commissions for the next 2 fiscal years ending June 30, 1971, to allow them to begin actual construction on demonstration projects and training programs that will further the economy of the regions.

Both title I and title II of the reported bill are a further development of the regional concept wherein an effort is made to move forward an entire section of the Nation by a carefully planned economic development program worked out in conjunction with responsible State and Federal officials.

I believe the regional commission concept will continue to be one of our major instruments in the full scale economic development of these sections of our country where the economy has not developed along with the vast majority of the Nation.

Before I conclude these brief remarks I wish to pay tribute to all members of the committee on both sides of the aisle who worked so diligently on the legislation, and, in particular, the gentleman from Oklahoma (Mr. EDMONDSON), chairman of the Special Subcommittee on Economic Development Programs; the ranking minority member, the gentleman from Florida (Mr. CRAMER); and a strong supporter of the Appalachian program, the gentleman from Ohio (Mr. HARSHA).

There are details upon which the gentleman from Alabama (Mr. JONES) and the gentleman from Florida (Mr. CRAMER) will touch. And there are issues that will be refined and focused upon in the coming discussion. But this is sound, well-conceived legislation. The committee is proud of it. I commend it to you.

Mr. JONES of Alabama. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I rise to call up the bill H.R. 4018 amending the Appalachian Regional Development Act and title V of the Public Works and Economic Development Act.

This bill has been reported unanimously by the Committee on Public Works. It provides the basis for continued progress in the development of the Appalachian region of the country and amends title V of the Public Works and Economic Development Act to expand the programs being carried out by the Regional Planning Commissions for the New England, Ozarks, Upper Great Lakes, Coastal Plains, and Four Corners regions. The Committee on Public Works held extensive hearings on the Appalachian bill and the other regional programs I have mentioned. The committee received testimony from a number of witnesses among who were Governors and the Federal officials entrusted with the administration of the programs. In the course of these hearings, the committee heard from the Governors of West Virginia and Kentucky with respect to the Appalachian program and received statements from eleven of the other Governors participating in the program uniformly supporting this effort. The Governors of Oklahoma, South Carolina, Maine, and New Mexico testified on behalf of the Governors of the regions with respect to the programs and the accomplishments of the regional commissions formed to foster development in the regions designated by the Secretary of Commerce under authority of the Public Works and Economic Development Act.

The Regional Action Planning Commission Amendments of 1969 revise and extend title V of the Public Works and Economic Development Act of 1965.

The amendments to the Public Works and Economic Development Act which are carried in title I of this bill provides the basis for the implementation of many of the plans and programs developed by these commissions to foster economic growth and development within the areas for which they are responsible. These commissions were formed in 1966 to develop programs geared specifically to the needs, problems, and potentials of the five development regions. They have, with full participation of the Governors of the affected States, proceeded to fulfill this charge and have presented to the committee detailed and well-conceived programs to improve the capacities of these regions to attract and hold private investments through alleviating critical problems in the fields of transportation, health, education, pollution control, and the like. These commissions, patterned after the Appalachian Regional Commission, are designed to combine efforts of Federal, State, and local governments. The Governors of the affected States are members of these commissions along with a Federal cochairman for each of them appointed by the President. This form of organization permits the full participation of the State governments in the deliberations and decisions of these commissions and has been a major factor in the development of their programs.

The committee bill does not alter the basic structure of the five regional commissions. It does expand their program authority through the implementation of a broader range of programs and projects as provided in the bill. The committee anticipates that the commissions will become a forum for enlisting the aid and involvement of all related agencies at the State and Federal levels in the accomplishment of their mission.

In title II of the Appalachian Regional Development Act Amendments of 1967, funds were authorized to initiate development programs in the areas covered by the commissions. Funds had been authorized in 1965 for staff support. The 1967 amendments authorized funds for supplemental grants and technical assistance. This action was premised largely on the success of the supplemental grant program in the Appalachian region and the need for technical assistance funds to support the planning and comprehensive development programs. The sum of $75 million was authorized for fiscal year 1968 and fiscal year 1969—$5 million per commission for fiscal year 1968 and $10 million per commission for fiscal year 1969—for supplemental grants. A total of $8,915,000 for fiscal year 1968 and $12,500,000 for fiscal year 1969 has been appropriated for supplemental grants.

Testimony received by the committee on the state and progress of these programs indicates that, while the supplemental grant program has been useful, real progress in the implementation of the plans which they have developed requires expanded authority. Uniformly, witnesses before the committee indicated deficits in basic Federal programs pertinent to the commission plans in critical areas such as vocational education, transportation, manpower development, hospitals, airports, and similar facilities. The supplemental grant program now authorized does not meet these needs. It serves the very useful purpose of assisting financially inadequate local governments in meeting the requirements for these basic programs. However, when the basic programs are inadequate to achieve the accelerated development which these commissions are designed to produce, the supplemental grant program does not fill this gap.

The committee bill makes the following changes in existing law:

Section 505 of the Public Works and Economic Development Act authorizes technical and planning assistance to and through the regional action planning commissions. This section is expanded to permit broader use of these funds for studies, technical assistance and demonstration projects, and training programs, and to confirm that the Federal Government will provide 50 percent of the expenses of the Commissions. To permit flexibility in administration, the expanded authorization which is now carried in section 505(c) is eliminated in favor of a single authorization in the title V program which is carried in section 509. The expansion of the authority for commission support for demonstrations and technical assistance is added to the law to permit implementation of several of the innovative proposals submitted to the committee, particularly by the New England Regional Commission.

Section 509, which currently authorizes supplemental grant assistance, is amended to authorize funds to accelerate existing Federal grant-in-aid programs within the development regions. Currently, supplemental grants assist financially inadequate local governments to meet matching requirements for Federal

grants-in-aid. The committee bill would expand authority to permit acceleration of the basic Federal programs where funds available within the regions from the national programs are inadequate. In other words, the new program will permit supplementation of programs, as opposed to supplementation of grants on individual projects, by restricting the use of these funds for purposes presently authorized by other Federal statutes such as the Federal Water Pollution Control Act, the Watershed Protection and Flood Prevention Act, title VI of the Public Health Service Act, the Vocational Education Act of 1963, the Library Services Act, the Federal Airport Act, part IV of title III of the Communications Act of 1934, the Higher Education Facilities Act of 1963, the Land and Water Conservation Fund Act of 1965, and the National Defense Education Act of 1958.

The committee bill would permit the initiation of programs recommended by the regional commissions without prejudice to the administration's desire to evaluate major innovations in the field of economic development. Language is included in the bill to safeguard against the diversion of regular Federal grant-in-aid funds from the development regions because of the availability of this program.

To insure that projects funded under section 509 of the act as it would be amended by this bill, receives full evaluation by Federal agencies responsible for administering the funds prior to Commission approval, the bill provides that no grant shall be made until the responsible Federal officials administering the Federal grant-in-aid which is being supplemented by the Commission program have certified that the program or project meets all of the applicable requirements of the basic grant-in-aid statute. The committee anticipates that such response should be obtained by the Federal cochairmen of the Commissions prior to Commission action.

Title II of the bill amends and extends the Appalachian Regional Development Act, one of the most innovative and successful of the many programs enacted by the Congress in the 1960's. The Appalachian Act, which was passed in 1965, grew out of an intensive effort of the State governments, Federal agencies, and interested citizens operating under the guidance of a White House task force. In the 4 years since the enactment of the program a tremendous amount has been accomplished with fairly modest amounts of money. The testimony received by the committee from a variety of witnesses was uniformly laudatory of the remarkable cooperation between Federal and State authorities in planning and carrying out the expenditures of funds for a regional highway system, a vocational education system, a regional health program, mine area restoration program, housing, and a variety of other activities. This has been done with a minimum of friction and a maximum of effectiveness.

The Appalachian regional development program was a national response to the severe hardship that had existed in much of Appalachia for several decades, but had grown most acute during the 1950's.

Mining, agricultural, and railroad employment—the mainstays of much of the old Appalachian economy—had plummeted as advancing technology wiped out job after job. With a heavily specialized economy concentrated in primary manufacturing and mining, Appalachia was unable to replace the jobs in other sectors of employment, the jobs it lost to advancing technology and changing markets.

In 1964, the President's Appalachian Regional Commission reported that between 1950 and 1960 Appalachia lost over half of its jobs in agriculture and 58.6 percent of its jobs in mining while the rest of the United States lost one-third of its agricultural jobs and only 1 percent of its jobs in mining. Yet, its proportionate gains in services and contract construction were only one-half the rate of increase in the rest of the country in manufacturing.

For a region already deficient in employment and growth, these losses were disastrous. Unemployment in some industrial counties in southwestern Pennsylvania approached 25 percent by the end of the 1950's, and in some rural counties in eastern Kentucky actual unemployment was about 80 percent of the male labor force.

By almost any yardstick, large parts of Appalachia lagged so far behind the rest of the country in employment, income, health, education, and housing, that conditions were equivalent to those in some underdeveloped countries. Wolfe County, Ky., for example, had a per capita income of $435—about the same as Jamaica. As a result of these conditions, in the 1950's alone, 2.2 million people left Appalachia.

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

Mr. JONES of Alabama. Mr. Chairman, I yield myself 2 additional minutes.

The CHAIRMAN. The gentleman from Alabama is recognized for 2 additional minutes.

Mr. JONES of Alabama. Many of these Appalachian migrants moved into such large cities as Chicago, Cincinnati, Cleveland, and Detroit ill-equipped for the jobs that were available.

It was recognized when the Appalachian program was first enacted that Federal spending only would not solve these problems. There had to be an effort to concentrate funds where they would do the most good and this would only be done by calling on local and State leadership to help make the decisions on which projects and programs were most beneficial.

As it was conceived originally, the program was designed to create in Appalachia a climate to which private investment would be attracted and in which it would flourish as the ultimate solution to the long-range problem. This was to be done by the construction of a highway network that would link Appalachia to the mainstream of commerce and industry and the building of public facilities that would outfit the region with the chance to compete equally in the technological world of today. So far, there are nearly 300 miles of highways completed with another 400 miles under construction; and in an innovative program to provide health facilities and services more than 50 programs and 20 facilities are either completed or underway; more than 7,000 land stabilization and conservation contracts have been signed with farmers in Appalachia; there are more than 50 projects to restore and reclaim land ravaged by mining either underway or completed; nearly 100 vocational education facilities have been built with another 50 being constructed; and the construction of some 600 airports, hospitals, colleges, sewage treatment plants, libraries, vocational schools, recreation areas, and educational television facilities have been assisted with Appalachian funds.

What has been the result? The great expanse of distance between Appalachia and the rest of the world has been closed or narrowed, so that people now have access to jobs and to opportunity; migration out of the region has tapered off dramatically; unemployment has been cut in half; wage rates have risen gradually.

After 4 years in the Appalachian regional development effort, there have been some improvements in the region. The average annual increase in employment in Appalachia between 1962 and 1965, for example, was 2.2 percent, the same as the U.S. rate. Thus, the gap between the region and the Nation remained the same during those years.

In 1966, however, the gap began to close: Appalachian employment increased by 3.7 percent compared to 2.5 percent for the Nation.

The gap began to narrow even more dramatically in comparable rates of unemployment. In 1962, the U.S. unemployment rate was 5.5 percent while Appalachia's was 8.6 percent. By 1966, the rates were 3.8 percent and 4.3 percent respectively.

Nevertheless these general statistics mask the continued problems of the region. While the unemployment rates in West Virginia and Kentucky, for example, have been reduced, the 1967 rate for Appalachian Kentucky was still 9.1 percent which is not far from being triple of that for the Nation, and for West Virginia it was 6.5 percent, almost double that of the Nation.

Wages tended to lag substantially behind the Nation. For example, in 1963 wages in manufacturing were only 86 percent of the U.S. average and in services 77.1 percent.

But despite the fact that progress is visible, there is still much to do. There is still a long way to go. Outmigration has slowed down, but has not been reversed; unemployment is down but still exceeds the national figure; wage rates are up, but still lag behind the national average. The job is not finished. H.R. 4018 is designed to do that.

The committee bill authorizes funds to carry out Appalachian Act programs

in fiscal 1970 and fiscal 1971. The sum of $250 million is authorized for this period of which $85 million is for demonstration health projects; $15 million for land stabilization and erosion control; $15 million for mine area restoration; $2 million to stimulate low cost housing projects; $50 million for vocational education facilities; $75 million for supplemental grants to facilitate the use of all Federal grant-in-aid programs in the region; and $8 million for the support of local development districts and for research and demonstration projects. These amounts are in line with the Nixon administration's budget request for fiscal 1970.

In addition, the bill provides for a 1-year stretchout of the regional highway program which due to fiscal restraints has not been funded at the pace contemplated by the 1965 act. A 1-year stretchout is provided in the bill with no increase in the authorization.

As I conclude my remarks, I wish to pay deserved tribute to the chairman of the full committee, the distinguished gentleman from Maryland, the Honorable GEORGE H. FALLON, for his chairmanship in connection therewith. I would like to commend all Members of both sides of aisle for their attendance during the hearings and the interest they showed in this worthwhile legislation. Finally, I commend an outstanding piece of staff work done by all members of the staff on the majority and minority sides.

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

Mr. JONES of Alabama. I yield to the gentleman from Virginia.

Mr. SCOTT. I wonder if the gentleman would address himself briefly to the concept of phasing out this program? Is this something that will go on from year to year, or will these regions in time become self-sufficient so that there will not be a need for the continuation of the program?

Mr. JONES of Alabama. Mr. Chairman, I would state in reply to the gentleman from Virginia that I would like to phase out these programs, but as of now and in the immediate future I see a need for them——

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

Mr. JONES of Alabama. Mr. Chairman, I yield myself 3 additional minutes.

Mr. Chairman, replying further to the gentleman from Virginia, I might add that we still have problems of employment and outmigration of these regions. These must be faced up to and solved. Then we can talk of "phaseout."

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

Mr. JONES of Alabama. I yield to the gentleman from Kentucky.

Mr. PERKINS. Mr. Chairman, I thank the gentleman for yielding, and I first want to compliment the distinguished gentleman from Alabama (Mr. JONES) for his untiring work on a very necessary and needed piece of legislation for a section of the country that has failed in economic development for a century and a half. But if I undertood the statement made by the gentleman correctly, I would like to know if the committee made any changes in the amount of Federal funds that the States are permitted to pay on the advanced engineering and right-of-way acquisition, with the provision for the four-lane highways?

Do I understand the gentleman to state that still under the bill you authorize 70 percent there for those two items: advanced engineering and right-of-way acquisition?

Mr. JONES of Alabama. The gentleman does raise an important question. The Federal share can still be up to 70 percent.

Mr. PERKINS. In other words, it has not been lowered; the amount the Federal Government puts up in this act has not been changed in any way?

Mr. JONES of Alabama. The gentleman is correct. The answer is "No."

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

Mr. JONES of Alabama. I yield to the gentleman from Ohio.

Mr. HAYS. Mr. Chairman, I thank the gentleman for yielding.

I would state to the gentleman from Alabama that I am curious about this four-lane highway business, because in my State the bulk of the money has gone to rebuild a U.S. highway which the State would have had to put up its own money on a 50–50 basis to build, and they got out of it.

As far as helping Appalachia, and as far as building highways to get up into these inaccessible areas, and as far as going into those areas to help the people, they have not done anything, and they are not about to do anything.

Mr. Chairman, I was one of the original supporters of this bill. I went down to Athens, Ohio, and met with the Governor and the mayors, and the county commissioners, the Governor who was then Governor, and the now-Governor, was saying let us not have anything to do with this program——

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

Mr. JONES of Alabama. Mr. Chairman, I yield myself 3 additional minutes.

Mr. HAYS. I made a pitch to them about the program, and they came in in executive session, and every official there but one voted to go into it. The Governor voted to go into it, and he found out there was this bonanza to highways.

Is there anything to prevent this in the future? Because unless there is, I do not intend to vote for the measure.

Mr. JONES of Alabama. Mr. Chairman, I believe the gentleman from Ohio has brought out a very solid point. We believe the language in the bill to prevent overlapping of programs or duplication thereof or using funds under this bill as a substitute for an existing Federal program in a State answers the gentleman's problem.

Mr. HAYS. If there is a recurrence, is there anything in the act to prevent it or can this just go on anyway?

Mr. JONES of Alabama. I think if that were to occur again, if you will bring it to the attention of the committee, we would address ourselves immediately to that problem.

Mr. HAYS. I thank the gentleman.

Mr. GROSS. Did you know that it was occurring before?

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

Mr. JONES of Alabama. I yield to the gentleman from Nebraska (Mr. DENNEY), a member of the committee.

Mr. DENNEY. Mr. Chairman, I want to compliment the gentleman for his fair statement.

During the committee hearings, as the gentleman recognizes, I brought up one question and if the gentleman will turn to page 21 of the report which shows the different economic development regions, you will remember I suggested to different witnesses that possibly if we were to divide the entire United States into economic development regions that could act as a vehicle whereby when we came to the problem of revenue sharing and block grants possibly they could be funneled down through the economic development region.

I believe the chairman said at that time that that would be a subject matter that this committee could consider in future hearings; is that correct?

Mr. JONES of Alabama. Yes, it is. I would refer the gentleman to the report on page 4.

Mr. DENNEY. I thank the gentleman.

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

Mr. JONES of Alabama. I yield to the gentleman from Kentucky.

Mr. CARTER. Mr. Chairman, I certainly want to compliment the distinguished gentleman on his statement here. It is quite clear. Certainly, I regret that anyone from any State may have had difficulty with this very worthwhile bill.

So far as the highway part of it is concerned, it has been a great help to Kentucky. For instance, Harlan County which was almost without roads now has a wonderful road cutting right through the mountains into Harlan County and it will provide transportation where transportation is most needed. Certainly it has been a great help to our area and I thank the distinguished gentleman for yielding.

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

Mr. JONES of Alabama. I yield to the gentleman.

Mr. HAMMERSCHMIDT. Mr. Chairman, as the distinguished gentleman in the well knows so well, and as was pointed out by our colleague, the gentleman from Nebraska (Mr. DENNEY), I know you are aware that there are other areas of the country that have persistent underemployment and unemployment problems and they may wish to organize themselves into regional commissions as was suggested here.

One other thing—I have one particular area in mind, as I look at this proposal, the Delta Regional Commission, which is not an entity in fact yet, but

my distinguished colleague on the Senate side testified in favor of this commission over in the area along the Mississippi Delta that includes the eastern side of Arkansas as well as portions of economically depressed parts of these States: Tennessee, Mississippi, Louisiana, Missouri, and perhaps others. I am not sure of all the counties or States that it will be comprised of.

I want to ask if such a region were to be designated within the United States this fiscal year, would this new commission be eligible for funding under the terms of this present bill?

Mr. JONES of Alabama. As the bill now stands, it might be subject to certain conditions.

Mr. CRAMER. Mr. Chairman, will the gentleman yield so that I may further answer the gentleman?

Mr. JONES of Alabama. I yield to the gentleman from Florida.

Mr. CRAMER. It is my understanding that additional regions established can qualify under the present law and also can qualify these additional regional commissions properly established.

Mr. JONES of Alabama. Under title V of the act of 1965 that is true, other regions can be added.

Mr. CRAMER. I would suggest to the gentleman that if he would take the position that the amount of money was established solely on the basis of having a certain number of existing regions, I might agree with the gentleman. But it is my understanding that was not the intention. That was not the case. But if additional regions are approved under title V, and they want to try to get title I money, they have to convince the Appropriations Committee and the administration that it is justified and that they can qualify. Is that correct?

Mr. JONES of Alabama. That is my understanding. These are the conditions I mentioned earlier.

Mr. HAMMERSCHMIDT. Might I inquire further of the distinguished gentleman along this line: Should a region be designated under the necessary criteria and approved by the Secretary, it is your opinion it could receive some proportional share of the amount of money appropriated to help get it started; is that correct?

Mr. JONES of Alabama. I think the gentleman from Florida has stated the situation correctly.

Mr. HAMMERSCHMIDT. One further point to help me clarify my thinking on the subject. Hypothetically, say a new regional commission was established in the fiscal year 1971, toward the latter part of the fiscal year. Under this bill it is provided that no regional commission shall receive less than 10 percent of the money appropriated in any 1 fiscal year. But would it be logical for the gentleman to say that that regional commission might come in for their share of funding on a proportional basis?

Mr. JONES of Alabama. I cannot conceive of a situation such as the gentleman describes without the Commission coming to the Congress. I would hope that the administration would never entertain that without informing the Congress and telling them of their plans, as we have done in the case of these five commissions. We do not intend this bill to give authority for every Tom, Dick, and Harry who comes down the road. There has to be legitimacy of purpose. There has to be a proper cause. There must be an identity of need. There must be a system of priority established by the Congress itself as to how we want to deal with it.

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

Mr. JONES of Alabama. I yield to the gentleman from West Virginia.

Mr. KEE. Mr. Chairman, as a member of the committee, representing the State of West Virginia, which is the only State that is included in the Appalachian area in its entirety, I take this opportunity to highly commend the distinguished gentleman in the well, the floor manager of the bill, the gentleman from Alabama (Mr. JONES), and author of the bill, and for the long hours he has spent in holding hearings and for the extremely objective and fair manner in which he conducted the hearings, we owe him a debt of gratitude and congratulate him. It is my hope that the Members of the House unanimously will vote to support this measure without a single amendment as presented by the distinguished gentleman in the well.

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

Mr. JONES of Alabama. I yield to the gentleman from Missouri.

Mr. HALL. Mr. Chairman, I appreciate the gentleman yielding. I just want to ask a point of information. I read the report and the bill in toto. Are there any administration reports? Does the administration favor the measure? What about the departmental report on title I?

Mr. JONES of Alabama. We have no registered objections to any of the titles of the bill. Originally the administration asked for an extension of 1 year. Subsequent to that the committee indicated that they wanted a 3-year program, and the administration acquiesced in our proposal for a 2-year program.

Mr. HALL. Mr. Chairman, I appreciate the distinguished chairman's forthright explanation. As I understand it, then, neither the new nor the former Secretary of Commerce has commented on the various Commissions under title I, nor has the administration set forth its new position or its acquiescence. I believe the gentleman did say the administration acquiesced, but has not approved or come forth with a new program for title II, the Appalachian program.

Let me just ask this question for information. I appreciate the Government's need for planning and I understand it is cochairman on the various Commissions, but is this increase or continuation budgeted in the administration budget?

Mr. JONES of Alabama. I do not know what the figures are in the budget.

Mr. HALL. Certainly the increase recommended in here is not included in the new budget?

Mr. JONES of Alabama. I am not sure on that point.

Mr. HALL. Mr. Chairman, I thank the gentleman.

The CHAIRMAN. The Chair recognizes the gentleman from Florida (Mr. CRAMER).

Mr. CRAMER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of this legislation. I do not intend to duplicate the information the gentleman from Alabama has already discussed. However, I do have a few observations.

The question was asked as to whether or not the administration has evidenced a position on this legislation. I will say to those who asked the question that the administration was consulted in the draftsmanship constantly and that some of the proposals made by the administration in order to make it a better bill were accepted. In particular there is the amendment the gentleman from Alabama referred to, which I believe to be one of the significant new contributions to this legislation itself. This amendment, which will bring order out of what could otherwise be chaos, is the section contained on page 5, "coordination," which states as it relates to these regions and EDA the following:

> The Secretary shall coordinate his activities in making grants and loans under titles I and II of this Act with those of each of the Federal cochairmen in making grants under this title, and each Federal cochairman shall coordinate his activities in making grants under this title with those of the Secretary in making grants and loans under titles I and II of this Act.

So the objective is to make certain there is not unnecessary duplication and to make certain the program has a maximum thrust in the area of economic development and that these regions, along with the EDA program, generally accomplish the objective that should be accomplished in helping economic development. The answer, very simply, is "Yes," the administration was consulted and, so far as I know, they have raised no objection to this House version.

I will say further with regard to the cost, this bill is subtsantially below the bill passed by the other body. It is substantially below that. There were considerable pressures to increase it, even to the Senate version, and even higher. In attempting to exercise some spending responsibility, the House refused to go along with the version of the other body and, in fact, reduced the program of the other body by $254 million. So there is a very substantial difference and less spending in this bill.

Third, I initially voted against Appalachia. I voted against EDA. I voted against Appalachia when it was first authorized in 1965. When it was first authorized, I offered a Republican or minority substitute which would make available relief as needed to any area of the United States that could qualify under the same formula of underemployment or unemployment and need of economic de-

velopment. As far as I am concerned, what is good for Appalachia, if it is needed, should be equally good for the rest of the Nation within our budgetary capabilities.

That is how simple it was.

The substitute was defeated, but now we see we are moving exactly in the same direction. We now have a bill moving that way.

I do not say that on a partisan basis. I say it because I believe there is a need for the development of this country.

There are all kinds of millions of dollars thrown into OEO, and all kinds of money thrown into the Job Corps, at $8,000 or $9,000 per trainee per year, with few, if any, results. But here we have a program, I am convinced, which is working and is workable.

Admittedly, there are some areas outside the regions involved in this legislation, the five regions plus Appalachia. What is the answer for those areas? If in fact there is an economic need and if in fact there are a minimum of two redevelopment counties or areas, they can qualify as a district for proper districtwide development. We hope to do something with regard to that when we get to the EDA legislation, too.

We see ourselves moving more and more in this direction.

The gentleman from California (Mr. DON H. CLAUSEN) and the gentleman from New Hampshire (Mr. CLEVELAND), whom I see on the floor, myself and others have been pushing for the idea that we are never going to solve the problems of the big cities alone. We have an urban council in the administration, and that is fine, but where is the rural council? I have asked this question at the White House: Where is the rural council? There is an urban council, and that is fine, because goodness knows we have enough urban problems; but likewise we have rural problems.

What is one of the basic problems? One of the basic problems is that the economic base of the rural areas is not sound enough. We have not had enough concern about development of those areas to keep the people in the rural areas or in the smaller towns. They are migrating to the big cities.

So the gentlemen from California and New Hampshire, myself and others have been attempting to interest this administration and others in the concept of not having all the migration percentages going to the major communities or the large communities, but instead encouraging these people to remain in rural areas, and even to provide outmigration, to help solve some of the big city problems. So long as the people are stacked on top of other people in the apartment buildings and what have you in the big cities, obviously they will have endless problems. There is an obvious need for a reverse migration, and this should be expressed in this country, and legislatively so, and this is a part of that package. I hope more will be done.

In addition to that, we have attempted to make this a regional bill in the process. The regions want to have everything Appalachia has, basically. One cannot blame them.

Eighty percent of the money for Appalachia, approximatley, is for highway construction. I personally did not feel, and still do not feel, that we should go into a major arterial development highway program in these regions, which we did in Appalachia because of an emergency situation, in addition to and duplicating the present Federal-aid highway program, which also takes care of these regions, and rightly should. So we were able to avoid that.

There were other areas of duplication we were able to avoid.

Basically, we have a bill which deserves the support of the Members of the House. I, for one, intend to support it.

Frankly, I think the more we analyze it the more we will favor it. I am willing to say here that in my opinion Appalachia is one of the best administered Federal-State partnerships that I have had experience with. I hope the regions, in developing their plans and programs, will equally be so.

Now, these regions have just tooled themselves up administratively in the past 2 years. They were only authorized a few years ago to come into existence. Now the regions are in a position to want to go forward with those plans they have spent millions of dollars on.

We in the House are faced with the proposition: Do we go ahead with this program, or do we terminate it at the very time the regions are capable and ready to go ahead administratively and programwise to do the job in these regions?

I would say "Yes," that we have no alternative. Appalachia is 4 years old and it has 2 years to go. We authorized 2 years and no more. What happens after that is up to the Congress to determine.

I did not support the Appalachian Act in 1965 because it represented favoritism for a particular area. Rather, I supported a bill and offered it as a substitute to provide a nationwide regional approach where justified.

In 1967, I did not support the extension of the act because I felt that Appalachia and EDA were dual efforts which should be combined in one overall economic development program.

Today, I believe the Appalachian program has been well administered, and there remains but 2 years of the original 6-year program. The funding of these 2 years is in the amount of $250,000,000 for nonhighway programs and $1.9 million for administrative expenses, a total authorization for Appalachia of $251.9 million for fiscal years 1970 and 1971.

The present five title V regional commissions were designated in 1966 under authority granted in the 1965 EDA Act. Initially they were permitted only planning and technical assistance moneys to aid in their formation. For fiscal years 1966 and 1967, there was authorized $30 million and appropriated $12.2 million, including administrative expenses, for this purpose.

The 1967 amendments gave these commissions supplementary grant money to increase the Federal share of programs and projects within their regions up to a maximum of 80 percent. These amendments authorized $25 million for fiscal year 1968 and $50 million for fiscal year 1969 for this purpose, and a total of $21,415,000 was allocated to the commissions for these 2 fiscal years. The 1968–69 authorization for the commissions for planning, technical assistance, and administrative expenses resulted in an allocation of $14,492,000.

Now these title V commissions appear ready to implement the plans they have formulated and H.R. 4018 adds the basic grant tool to those of technical assistance and supplementary grants. H.R. 4018 would authorize $225 million for the commissions for fiscal years 1970 and 1971 for all of these purposes; $15 million of this amount represents a reauthorization for technical assistance for fiscal year 1970, leaving an additional authorization total for the commissions of $210 million. This $210 million plus the $251.9 million for Appalachia adds up to a total additional authorization for the bill of $461.9 million for 2 fiscal years.

The Senate bill contains new authorizations for Appalachia and the title V commissions of $715.9 million for the same period or an excess of $254 million over the House bill. I intend to support the lower House figures in conference.

Certain safeguards for the regional commissions are contained in H.R. 4018, and I would like to bring some of these to the attention of my colleagues. First, the structure of the organization has not changed, and the Secretary of Commerce remains in a supervisory position in order to further assist the commissions as they grow in experience and test their new authority. Second, in the case of basic grant expenditures, H.R. 4018 would require of the responsible Federal official administering the Federal grant-in-aid Act authorizing such contribution, a certification that such program or projects meets all of the requirements of such Federal Grant-in-Aid Act and would be approved if funds were available. Third, before funds may be provided for programs or projects, each Commission must determine that the level of State and Federal assistance, under other laws and other titles of the Economic Development Act, for the same type of programs and projects, will not be diminished in the portion of the State within the region. Fourth, a new section would be added which would require the Secretary to coordinate with the Federal cochairmen and the Federal cochairmen to coordinate with the Secretary their activities in making grants and loans under the act. This section was added to prevent duplication of the efforts of EDA and the commissions in the same geographical areas.

The administration has given its approval of H.R. 4018 as reported. I support this legislation to extend for 2 years the Appalachian and EDA Regional Commissions.

H.R. 4018.—A COMPARISON OF AUTHORIZED AMOUNTS IN H.R. 4018 WITH PREVIOUS AUTHORIZATIONS AND APPROPRIATIONS, WITH THE 1970 BUDGET REQUEST, AND WITH COMPARABLE PARTS OF S. 1072

[Amounts in millions of dollars]

	1965–67		1968–69		1970–71 authorizations		
	Authorization	Appropriation	Authorization	Appropriation	Comparable parts of S. 1072	H.R. 4018	1970 budget
Title I, EDA regions:							
Technical Assistants and Planning (reauthorized amounts)	30.0	12.2	30.0	13.9		(15.0)	6.8
Supplemental grants			75.0	[1] 18.9		(15.0)	16.5
Both plus basic grants					270.0	210.0	
Total title I	30.0	12.2	105.0	32.8	285.0	225.0	23.3
Title II, Appalachia:							
Commission expenses	2.4	2.4	1.7	1.6	1.9	1.9	.9
Additional highway authorizations [2]					150.0		
Nonhighway programs	250.0	164.9	170.0	130.3	294.0	250.0	112.5
Total, title II	252.4	167.3	171.7	131.9	445.9	251.9	113.4
Totals, titles I and II	282.4	179.5	276.7	164.7	730.9	476.9	136.7
Less reauthorized amounts					(15.0)	(15.0)	
Additional authorization					715.9	461.9	
Excess of S. 1072 over H.R. 4018					254.0		

[1] In absence of specific fiscal year 1968 appropriations for this program, EDA used $8,900,000 of own grant and supplementary grant appropriation.
[2] $1,015 authorized by existing law for 6-plus year period ending June 30, 1971.

A COMPARISON OF AUTHORIZED AMOUNTS IN H.R. 4018 AND S. 1072 WITH PREVIOUS AUTHORIZATIONS FOR APPALACHIA AND TITLE V REGIONAL COMMISSIONS

[In millions of dollars]

	Fiscal year 1970, 1971, H.R. 4018	Fiscal year 1970, 1971, S. 1072	Fiscal year 1968, 1969, Public Law 90–103	Fiscal year 1966, 1967, Public Law 89–4
APPALACHIA:				
Sec. of act:				
202 Health demonstration	85	95	50	69
203 Land stabilization	15	15	19	17
205 Mine restoration	15	15	30	36.5
207 Housing	2	3	5	0
211 Vocational education	50	50	26	16
214 Supplementary grant	75	90	97	90
302 Local development districts	8	15	11	5.5
208 Manpower development		10		
215 Culture		1		
204 Timber development			2	5
206 Water research			2	5
212 Sewage treatment			6	6
Total, nonhighway program	250	294	248	250
Less			[1] −78	
Subtotal			170	
201 Highway program		150	[2] 1,015	[3] 840
105 Administrative expenses	1.9	1.9	1.7	2.4
Total authorized	251.9	445.9	1,186.7	1,092.4
Title V, regions:				
505 Planning and technical assistance	[4] 225	[5] 285	[6] 30	30
509 Supplementary grant			[7] 75	
Total authorization	476.9	730.9	1,291.7	1,122.4
Less reauthorization	15	15		
Total additional authorization	461.9	[9] 715.9		

[1] General authorization of $170,000,000 was $78,000,000 less than total ceilings placed on section-by-section basis.
[2] For 6-plus year period ending June 30, 1971 (increased $175 in 1967).
[3] For 6-plus year period ending June 30, 1971.
[4] Not less than 10 percent nor more than 30 percent of funds appropriated can go to any one region.
[5] Ozarks 50, New England 75, Upper Great Lakes 45, Four Corners 45, Coastal Plains 60, Alaska 10.
[6] Not to exceed 2.5 per region, per year to be allocated by the Secretary.
[7] Public Law 89–136.
[8] 5 per region in 1968 and 10 per region in 1969.
[9] Does not include title III which provides 500 for EDA grant program and 50 for technical assistance; bill total 1,265.9.

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

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

Mr. HALL. Mr. Chairman, I appreciate the gentleman from Florida's statement and particularly I appreciate his comments on the need to avoid duplication in these programs. I believe the gentleman referred to page 4 of the report, which I have read in its entirety. I will call his attention to the middle paragraph on page 7 of the report wherein again it says:

Section 104 of the reported bill adds a new section 511 to title V which requires the Secretary to coordinate his activities in making grants and loans under titles I and II with those of the Federal cochairmen of the Regional Commissions in making grants under title V and the Federal cochairmen are also required to coordinate their activities in making such title V grants with those of the Secretary in making grants and loans under titles I and II. This is to insure there will be no duplication of programs and projects in carrying out the authorities contained in this Act.

Mr. Chairman, I have had absolutely no experience other than observation with the Appalachia program. I was one of the beginners on the Ozarks Commission program. Of course, the main difference is that the latter reports to the Secretary of Commerce and is not an independent commission under the President of the United States, as Appalachia is.

Be that as it may, on the prior page, page 6 of the committee's report, near the bottom of the page it says:

The new program will permit supplementation of programs, as compared with supplementation of grants and individual projects.

And it lists many of them which are already laws of the land, such as the Water Pollution Control Act, the Soil Conservation Act, the Public Health Service Act, the Vocational Education and Technical Training Act, the National Defense Education Act, and many others.

The problem bothering me and which I think is bothering the people back home is the increased amount of taxes and the increased number of duplicating or add-on or supplemental programs—or whatever you wish to call them—which requires a veritable maze to be unraveled before one knows how to participate in them or how to get the maximum benefit out of them. Granted that many of these programs supplement programs such as the Vocational Education Act, for example. States that have been slow or backward in this particular program find the add-on worthwhile and maybe they would not resort to the basic education act if they did have these. My question is, Are there really any programs under the commissions in title I that are not duplicative or additive or, if you want to use that kind of language, supplemental? If so, why would it not be better legislative procedure to put the emphasis under the original act rather than a supplemental commission? As the gentleman says, if it is good for some, why not make it equally applicable to all within the limits of the taxpayers' ability?

Mr. CRAMER. I will say to the gentleman at the outset with this coordinative requirement the basic grant agency would first have to approve any grant program. It would have to be approved by the administering agency as well as the region and as well as the Secretary. So I frankly think that what we are accomplishing here as compared to what we have had in the past is true coordination and direction. It is true that under the regions you do not have new programing outside of the EDA and the existing basic grant programing. I do not think you really should. What you need to do is coordinate what you have now in a package to do the total job rather than a piecemeal operation here and something else there, but not a package to make a usable, effective community program in a given area to get results.

Mr. HALL. If the gentleman will yield further, do I understand his statement in response to mine, to mean that these Ozark Regional Commission grants that I hold in my hand, such as the one for the airport at McAllister, Okla., or the one for a highway in Oklahoma, or the one for the Arkansas State Park in Arkansas or the one for Piedmont, Mo., for the enhancement of tourism; would have to be coordinated with those respective Federal agencies handling the basic programs before the grants are authorized? In other words, the FAA, the Bureau of Transportation, and the Department of Transportation, as well as for the enhancement of tourism and the development of tourism in the United States of America?

Mr. CRAMER. The gentleman is correct.

Mr. HALL. I thank the gentleman.

Mr. CRAMER. I think this has been a weakness of the whole program. I think this is necessary coordination, and the language is actually written into the supplement to the basic grant itself—not a supplement to it, but a supplement of it, where it says on page 3, line 18 of the bill as follows—"there are insufficient funds available for the Federal Grant-in-Aid Act authorizing such programs to meet pressing needs of the region."

Mr. HALL. I thank the gentleman from Florida for his clarification.

Mr. TEAGUE of California. Mr. Chairman, will the gentleman yield?

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

Mr. TEAGUE of California. I have this question to pose to the gentleman from Florida: Do we have this problem? Is there any likelihood that the level of authorization as contained in this bill is so much higher than the level of the appropriation of funds that it is likely that we are misleading the beneficiaries into some hopes which will not be justified and that all their problems will be cured overnight as a result of the enactment of this bill?

Mr. CRAMER. Well, I will say to the gentleman that I offered an amendment some time ago, a few years ago, to EDA, reducing the authorization by $75 million in order to prevent the administration or the Government from doing exactly that, misleading these people.

What we are trying to do here is to trim the authorization without the necessary infallible crystal ball as to the war in Vietnam and when it will be over—and we hope it will soon be—which might put us in a position where this money might be spent domestically and channeled into these programs. We have been trying to put the authorization at a figure that we thought was realistic. I am going to put the figures in the RECORD so that there will be no misunderstanding about them, with the full realization that appropriations have been substantially less than even the existing authorizations. I do not think anyone should be misled. As long as the war in Vietnam is going on and as long as we have our present budget squeeze, the appropriations will not be increased. I think the people in the various regions know this, most of them, but should we have this opportunity, I think we could take advantage of it.

Mr. TEAGUE of California. I thank the gentleman. However, I do believe it is important that we do not mislead the people.

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

Mr. CRAMER. I yield to the gentleman from North Carolina.

Mr. TAYLOR. I want to state with reference to the questions which the gentleman from Missouri raised that the Appalachian program provided for supplemental grants which are very valuable to the poorer towns and to the poorer rural counties. Many of them are just not able to raise the matching money. This helps to bridge the gap. It would mesh with the Hill-Burton program, the community facilities program, the sewage treatment program in the poorer counties, the ones that need it the most but which are not able to raise the matching money.

Mr. CRAMER. I thank the gentleman from North Carolina for his contribution.

Mr. DON H. CLAUSEN. Mr. Chairman, will the gentleman yield?

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

Mr. DON H. CLAUSEN. I thank the gentleman from Florida for yielding, and I want to compliment the gentleman and also the chairman of the subcommittee, the gentleman from Alabama (Mr. JONES), for the yeoman work which they have done on this legislation.

Mr. Chairman, I am personally convinced that the philosophy behind the program is very sound. All during the hearings it was quite evident that there is participation in the program and that there are highways in place and that it has been a successful program.

I further believe that the gentleman from Florida has clearly enunciated what I believe to be the fact, that the basic direction that future programs should take—that is, if it is good for one section of the country it certainly could apply or be available to other sections of the country and I was so pleased that the gentleman at least alluded to this in his remarks.

To add to this, I might refer the Members who are on the floor, or those who might read the RECORD, to the testimony of the Governor of the State of Kentucky, Governor Nunn, wherein he very clearly and succinctly pointed out that what was needed in this area was to concentrate on water resources development, highway construction, airport construction, and vocational and technical educational facilities, and once this was accomplished that he felt that this would provide the opportunity for economic progress in their section of the country, and this could minimize, frankly, some of the other programs that have been advanced into these areas. I believe this will eliminate duplication, which the gentleman has already indicated, that there would be coordination, and this is worthy of consideration. But, again, I would hope that as we authorize this legislation here today it will serve notice to the Bureau of the Budget and to other agencies who have funding programs, that this is the kind of program that has paid off many times over in providing job opportunities and broadening the economic and tax base in the areas where the programs have been in effect. So I, like the gentleman in the well, join in support of this legislation which heretofore I have not supported, and I believe that we have an improvement here today.

Mr. CRAMER. Mr. Chairman, I thank the gentleman, and I know he does join me in the hope that this will become the implement through which the first implementation of the reverse migration concept can be brought into being.

Mr. JONES of Alabama. Mr. Chairman, I yield 5 minutes to a member of the committee, the distinguished gentleman from Oklahoma (Mr. EDMONDSON).

Mr. EDMONDSON. Mr. Chairman, I rise in support of H.R. 4018. I want to congratulate both the gentleman from Alabama (Mr. JONES) and the gentleman from Florida (Mr. CRAMER) for the very fine explanations which they have made in pointing out the provisions of this bill. I believe they have covered the high points very well so there is very little need for additional forensics on the part of the committee members with regard to this legislation.

Mr. Chairman, I find myself in the pleasant position of being able to quote a couple of distinguished witnesses on the subject of the regional commission provisions in this bill, and desirability of the bill. One is a Republican Governor and the other is a distinguished scholar whose testimony was called to my attention by a Republican colleague. I am grateful that we have a very strong level of bipartisan support for this legislation.

I am obligated to my good friend the gentleman from Missouri (Mr. HALL), for calling to my attention the testimony which was given recently by one of his distinguished constituents, Dr. Carlton, of Springfield, Mo., who appeared before the Committee on Public Works of the other body on May 5, 1969, and summed up basically the problem that confronts the Ozarks region. That is the problem of having taken the initial three steps that are necessary, the steps of being sold the idea, of having obtained legislation, and of having engaged in study, at some expense. Dr. Carlton then concludes with the statement that we are now at the point where we need to have funding and action to really carry this thing forward. In fact, the quotation from Dr. Carlton's statement which completes his testimony before the Senate committee is that:

> The Ozark program is a great idea. Men should carry it out. The legislation should become action or be repealed.

Basically, what we are endeavoring to do with this legislation, I say to my colleagues, is to make action out of what has been primarily a study program in five regions up to this point.

I want to turn to another Republican witness, one for whom I have very high respect, the present Governor of the State of Oklahoma, who made one of the strong presentations before the Committee on Public Works on the subject of title I of this bill.

Gov. Dewey F. Bartlett appeared before our committee and urged very

strongly that we provide additional funding for this program, and that we endorse some improvements in it that have been referred to briefly by the gentleman from Florida, to improve coordination and to give more direct authority to these commissions in the grant field, subject of course to this coordination feature that assures that there will be an approval by the Federal department in the field of the specific project for which grants are going to be made.

I think Governor Bartlett's testimony which was given to the committee on April 15, 1969, is about as persuasive for going ahead with this program, and particularly for title I, as anything I have read.

The Governor calls attention to the fact that the Appalachian region, which had a 1960 population of about 5 million below the level of population in these regional commission areas, title V commissions, has nonetheless enjoyed funding from the Congress at a ratio of 15 to 1, over Ozarks and the other title V commissions.

These regional commissions have been lagging behind in funding and notwithstanding this lag in funding, they have accomplished some very substantial things.

If you would like to see some of the data on their accomplishments, I refer you to the testimony of Governor Bartlett in the hearings; the Governor details some of the employment increases and some of the capital investment increases that have occurred in the State of Oklahoma since the Ozark Regional Commission program began.

Now let me add just one further point, and that is that I agree thoroughly with my good friend, the chairman of our subcommittee, the gentleman from Alabama, that we will expect the Secretary in the creation of any new regional commissions to come to the Congress and confer with us and consult with us and make quite certain that there is an understanding in the Congress of what is intended to be done with regard to additional regional commissions.

Of course, you are going to have to get appropriations by the Appropriations Committee to get the job done for any additional regions. At the same time, I think the law is rather clear that under the basic section 502 of the 1965 act, the authority is present in the basic act for the creation of additional regional commissions. I think that that authority is not diminished in any way by the provisions of the bill, H.R. 4108.

The bill that has been passed in the other body, by specifically detailing the commissions that are covered by their authorizations, takes a different posture in this regard as compared to the House bill. Our House bill—and I see my good friend, the chairman, nodding his head on this point—it does not specify these commissions and in that sense does not limit in any way the basic law with regard to the creation of additional commissions.

Mr. Chairman, I urge the adoption of the bill and hope it will be adopted by an overwhelming vote.

Mr. CRAMER. Mr. Chairman, I yield 5 minutes to the gentleman from New Hampshire (Mr. CLEVELAND).

Mr. CLEVELAND. Mr. Chairman, I will address my remarks almost entirely to the subject matter of the supplemental views which are included in House Report No. 91–36 on this legislation.

Before doing so, however, I would like to add a word of commendation concerning the remarks of the gentleman from Flordia (Mr. CRAMER). He pointed out that several years ago when economic development legislation was first introduced into the Congress, the Republican members of the Committee on Public Works did suggest at that time that a national legislative program to cope with the problems of rural decline and rural disadvantage was clearly called for. We introduced legislation to accomplish that result.

I think as we contemplate this legislation today, the need for national legislation is obvious. I call your attention to the report and the map on page 21 showing the Appalachian region, and the five additional regions we have provided for.

You will see that there are many other areas of the country which are affected by this very important problem of rural disadvantage and rural decline, sometimes called outmigration.

This problem, of course, is back to back with the urban problem that faces the country where people are piling up in urban areas and creating problems which apparently our natural resources and capabilities cannot solve. So I think the words of the gentleman from Florida (Mr. CRAMER) and the efforts that some of us have made in the Public Works Committee several years ago to enact national legislation in this area were not only wise but foresighted.

Now for the supplemental views, very briefly. The problem I address myself to is this: When Appalachia and the boundaries for Appalachia were drawn, it was my opinion that an important part of the region was left out. Later under the 5-minute rule I shall offer an amendment that would include in the Appalachian region what those of us in northern New England and New York at least, consider the crowning glory of Appalachia—the White Mountains, the Green Mountains, the Katahdin Range, the Berkshires, the Adirondacks, and the Catskills of New York. At that time I will offer my reasons why this is so. At the present time just let me point out that many of the problems of rural decline—outmigration and the decline of industry and agriculture—that have characterized much of the Appalachian region, are also prevalent in important parts of northern New York and northern New England.

What happens is this: As the local economy and agriculture decline, there is nothing there to keep the young people, to keep future leadership in place, so you have an outmigration. As a result of the outmigration, you lose people and you lose leadership and a downward spiral sets in as fewer and fewer people are left to lead the communities and pay for the community facilities. It is ironic that this last year, on July 15, this House passed legislation to establish the Appalachian Mountain Trail, and included in this, of course, were northern New England States and New York.

If you turn to the dictionary, you will find that Appalachia is described as:

> Appalachian, * * * a. 1 Of or pertaining to the mountain system of the eastern United States extending from eastern Quebec to northern Alabama and including the White and Green Mountains of New England, the Adirondacks and Catskills of New York, the Alleghanies, Blue Ridge, Black and Smoky ranges, etc.

I will point out under the 5-minute rule that at the same time, 2 years ago, that my request to include New England in a part of the Appalachia program was declined, this House in its infinite wisdom saw fit to include relatively flat portions of the State of Mississippi, some of which are actually west of Chicago.

So I think in fairness northern New England and northern New York should be included in the Appalachia system.

Concluding my remarks, I would like again to point out briefly that what we are working toward or should be in this area is not merely an Appalachia region, a New England region, or an Ozark region, but national legislation that will permit the States, with help from the Federal Government, to address themselves to the problems of rural decline where and as they find it in their own States. I think this approach would be the key to truly solve the problem of rural decline.

The supplemental views to which I have referred follow:

SUPPLEMENTAL VIEWS

We concur generally with the committee report. However, it is our firm belief that the bill reported by the committee is lacking in what we consider to be a most important provision. We refer to H.R. 10491, which would amend the Appalachian Regional Development Act of 1965 to include all of the Appalachian mountain system in the Appalachian region. Unfortunately, efforts to include this bill as an amendment in the committee-reported legislation were unsuccessful.

The bill was introduced by Mr. Cleveland and cosponsored by 15 colleagues in the House who recognize the need for its adoption and its essential fairness. Three of the cosponsors are members of the Committee on Public Works, and two of these three would not realize any direct benefits for their districts by the adoption of the proposal. Cosponsors of the bill are Congressmen McEwen, Button, Conable, Conte, Fish, Grover, Hathaway, King, Kyros, McCarthy, McKneally, Pirnie, Stafford, Stratton and Wyman.

To put this matter in its proper perspective, we wish to point out that northern New England and northern New York are Appalachia. If you read the definition in Funk & Wagnalls' Dictionary of the English language, you find, "Appalachian, * * * a. 1. Of or pertaining to the mountain system of the eastern United States extending from eastern Quebec to northern Alabama and including the White and Green Mountains of New England, the Adirondacks and Catskills of New York, the Alleghanies, Blue Ridge and Smoky ranges, etc."

We might also remind the House that on July 15 last year, we passed the national scenic trails bill which formally designated as part of the scenic trails system, the Appalachia Trail running about 2,000 miles from Georgia to Maine. This formal recognition

of the Appalachia mountain area is now Public Law 90-543.

Since we are part of the Appalachian Mountain system and are suffering many of the same problems, we fail to see why all of the Appalachian Mountain system has not been included in the Appalachian Act, especially its crowning glory in northern New York and New England. This exclusion of the upper portion of Appalachia was especially difficult for us to understand when, in 1967, we added 20 counties of the Mississippi flatlands—20 counties which are, each and every one, located west of the great industrial midwest city of Chicago. This was done in spite of the fact that the report of the President's Appalachian Regional Commission, published in early 1964, defines Appalachia as "a mountain land boldly upthrust between the prosperous eastern seaboard and the industrial Middle West."

If we are to have an Appalachian region, let us have all of Appalachia in it. If we are to have an end to the economic decline of rural areas and outmigration in Appalachia, let us have an end to these problems throughout the entire Appalachian region.

Time and again, we have sat in committee hearings in 1965, 1967, and again this year, and have heard described in precise detail the economic plight of the hill country of Pennsylvania, West Virginia, Tennessee, Kentucky, and other Appalachian States. We have heard of the problems resulting from the decline in farming and other industries in these areas. We have listened to the statistics on outmigration to the cities, and we have sympathized fully with the difficulties of combating economic problems on a reduced tax base caused by declining population and low incomes. We know how discouraging the efforts to attract new industry under these conditions can be.

We know these matters well, because all that we have heard over the years is an accurate reflection of existing conditions in large parts of northern New England and northern New York. These areas also, at one time, had a healthy farming industry, well-based lumbering industry, and textile mills and shoe factories. But, just as in the other parts of Appalachia, the northern tier of Appalachia has also suffered from the effects of declining farming and declining industry. And, just as the population has left lower Appalachian rural areas, it has also left the rural areas of upper Appalachia. It leaves fewer taxpayers to support community facilities. There is a loss in these priceless human ingredients of leadership and youth. A downward spiral toward disadvantage sets in.

Northern New England and northern New York have similar problems, and these are the same problems which the Appalachian Regional Commission is working on to alleviate. But northern New England and New York more than most regions of the country are in a somewhat unique position. As an integral part of the whole New England region, they share a common bond and common problems with the rest of New England. At the same time, being more directly a part of Appalachia than southern New England, they are also suffering the same economic disadvantage as much of Appalachia.

Northern New England's needs are therefore twofold. This area needs to participate in the benefits provided through the New England Regional Commission, but it also, along with northern New York, very much needs to participate in the Appalachian region's approach to problem solving. For those who would object to northern New England's participating in two programs, let us point out that certain areas which benefit from the Appalachia program are also receiving assistance from the Economic Development Administration and the Tennessee Valley Authority.

During his testimony before our committee on this legislation, Gov. Kenneth M. Curtis, of the State of Maine, related that one could hardly tell the difference between northern Maine and Appalachia. Later in his testimony, he also stated that while he would not wish to detract from the New England Regional Commission, he would have no objection to the adoption of our proposal contained in H.R. 10491.

There is no question that there is a glaring need to reverse the economic decline and outmigration of the rural area of northern New England and upstate New York, as well as the other parts of the Appalachian Mountain chain. To have a regional development program and not include all of the region is most unfair. We earnestly hope that our colleagues in the House will, after considering this unfair exclusion of parts of Appalachia, vote to include our porposal, H.R. 10491, in the committee-reported legislation.

JAMES R. GROVER, Jr.
JAMES C. CLEVELAND.
ROBERT C. McEWEN.
RICHARD D. McCARTHY.

Mr. JONES of Alabama. Mr. Chairman, I yield 5 minutes to the gentleman from Kentucky (Mr. PERKINS).

Mr. PERKINS. Mr. Chairman, I rise in support of H.R. 4018. This legislation, to my way of thinking, has had a significant impact since its enactment in 1965; it certainly deserves to be extended.

As I recall, when this debate was going on originally, and when 80 percent of the funds for roads had already been allocated under the Appalachian program, it was contemplated at that time that the main artery highways be four lane, and the highway commissions of the respective States commenced to plan for four lanes on these highways. At that time, up until July 1, 1967, the Federal Government was paying not only 70 percent for advance engineering, design, and highway acquisition, but also 70 percent of the construction.

Because of underestimates of costs by the States upon which the authorizations were based, the Appalachian Regional Commission then made an announcement that after July 1, 1967, they would pay only 50 percent of construction costs and 70 percent of the advanced engineering and design and right-of-way acquisition costs on four-lane highways. But many of the highway departments, after this announcement was made, commenced to renege on what the Congress actually intended—which is to four-lane these main artery highways after July 1, 1967.

I think we should have it clearly understood that it was the intention of Congress that the Appalachian Regional Commission urge main artery highways be four lanes.

I know in the congressional district I am privileged to represent, if we fail to four-lane U.S. 23, through my congressional district, it will be the only gap in a north-south highway between Mackinaw, Mich., and Jacksonville, Fla., that will not be four lanes. Presently the highway department appears to not contemplate a four-lane facility.

I say again that is a tragic mistake, and the Appalachian Regional Commission certainly should urge the highway departments of these respective States to carry out the original intent of this Congress. The original intent of this Congress was to eliminate inadequate transportation facilities which isolated Appalachia.

I want to commend the chairman and the members of the committee for bringing to the floor H.R. 4018 to provide for the renewal and extension of certain sections of the Appalachian Regional Development Act of 1965.

Upon the enactment of the Appalachian Regional Development Act in 1965 we initiated a national effort to overcome a century and a half of neglect. I refer to the neglect of the vast Appalachian region and its people. Although rich in natural resources, it has been bypassed in developmental efforts ever since the initial western migration settled its beautiful valleys and hills. The region has been neglected in the construction of modern means of transportation and access—neglected in the provision of educational facilities—neglected in the construction of flood control and water resources development.

It has a lack of water pollution treatment facilities, water and sewer works, health facilities, airports, college facilities, vocational schools, public parks, and other recreational facilities. Public libraries have been inadequate and, too often, nonexistent. Lacking these major public works activities, industrial expansion and commercial enterprise bypassed the area, leaving it isolated from the mainstream of the Nation's expanding economy. As the act approaches its second 2-year extension tangible results from the program are being evidenced.

Progress, albeit slow, is being made on the construction of the major Appalachia corridors in eastern Kentucky. I am disappointed, however, not only because we are not constructing these facilities as quickly as we should but also because I fear that in the design concepts for the system the engineers may have been too persuaded by current traffic volumes and not imaginative enough in terms of developmental needs. All portions of the Appalachia corridors should be to a minimum four-lane design which is essential in making the region assessible to tourists and to industrial development. I think, also, we need to give attention to gaps in the system which are not covered by the present authorized mileage. We are now at the point in the design of the system where it becomes obvious that many communities require new corridor designation as links to the existing system so as to fit in with economic development and community planning. Especially where present corridor locations result in the isolation of subregions which should be effectively served.

In this connection I would hope that at some point each State's allocation mileage could be increased to permit appropriate corridor connections and essential access roads to be constructed.

Appalachia, at least in the public eye, is often represented by eastern Kentucky. And it is true that nowhere else is the need for this program as great as it is in our part of the country. This is hard-core Appalachia, which was too long left behind. This is Appalachia almost without hope until passage of the act in 1965. This is the Appalachia to

which attention must be paid by the Nation and the Congress. The program in the bill before us is so far the most realistic and effective salvation yet proposed for this heart of Appalachia.

We cannot sit down and rest on what we have done already. We have got to get up and go and keep on going until this job is done.

Mr. CRAMER. Mr. Chairman, I yield 8 minutes to the gentleman from Kentucky (Mr. CARTER).

Mr. CARTER. Mr. Chairman, the Appalachian Act has been extremely helpful to southeastern Kentucky.

Fourteen new vocational schools have been built, four more have been approved. These schools permit training of high school youngsters for worthwhile trades. They constitute one of the better ways of fighting poverty. Trades and skills can be taken from no one, they constitute worthwhile methods for earning a living.

The graduates of these institutions in Kentucky are employed in approximately 85 percent of the cases. The Somerset Area Vocational School in my district has a 92.4-percent rate of employment among its graduates. And in some trades, 100 percent of those who graduate are immediately employed. The training is not confined to high school graduates, but to those who need retraining for different trades or professions.

One vocational school dedicated to the training of personnel for the aviation trades is being constructed at Somerset, Ky., it is one of the few in our country. I feel that construction of this school and that its subsequent use will provide skilled employees for the rapidly expanding aviation industry.

I should compliment the Appalachian Commission and the Department of Vocational Education for their vision in construction of the many other schools in the Fifth District, in Kentucky, and also in the entire Appalachian area.

Assistance has been given to the construction of many hospitals in my area. Regardless of information which has been presented to this House, our hospitals in the rural area which I represent are overcrowded. Assistance by the Appalachian Commission in constructing additional hospital beds has been greatly helpful.

Many of the counties of Appalachia have had very poor roads. The Appalachian Regional Commission has, on the 70–30 basis, provided for the construction of roads throughout the Appalachian area, and in parts of my district.

In Harlan County, where the roads were of the very poorest quality—almost impassable—now we find well-constructed and beautiful roads are being built to provide much-needed means of transportation.

Funds from the Appalachian Commission also have been used in land conservation practices among the poor farmers of this area. And through this work, many eroded hillsides have been leveled over, planted in fescue and have become good, green pasture lands.

I can frankly state that the Appalachian regional program has been a superior program and that very little criticism has attended its execution.

EDA also has added greatly to the development of the area which I represent by assisting in development of water systems and sewage disposal systems in almost every county I represent.

I strongly urge passage of this bill.

Mr. CRAMER. Mr. Chairman, I yield 5 minutes to the gentleman from Tennessee (Mr. DUNCAN).

Mr. DUNCAN. Mr. Chairman, I would like to record my support of this very fine program and urge passage of this bill.

As a member of the committee and as an Appalachian, I have been witness to the birth and growth of this program.

I have sat in on committee sessions during which legislation was debated and written and shaped. I know the care and the concern and the sound thinking that went into it. And what is more, the same care and concern and desire to build a working program has been shown on both sides of the committee aisle.

Down home, I have been able to watch this program take root and grow into something really worth while, whose effect is just now about to be measured. The full impact is yet to come, but from the beginnings that have been made, I can say that that impact will be a substantial one.

Right now, we are just at the stage where libraries and sewage treatment plants and colleges and vocational schools are beginning to take form. There are more than $30 million worth of such facilities going into the Second District of Tennessee.

And there are highway corridors reaching through the back areas of a country that has been isolated from the main stream and imprisoned by a lack of opportunity.

As I say, all of this is just beginning to become visible and measurable. But I in particular know that it is on a sound foundation, located in the right place in the right way and it therefore cannot help but be of long-range benefit.

I know that facilities financed by this program were chosen by the local people themselves and were agreed to by the State with care and strategy. They are designed to do the area the most good by meeting its most pressing needs. And this is an excellent return on Federal investments.

Planned in this way, the program cannot help but succeed. It cannot help but raise my part of the country to equality with the rest of the country in terms of economic well-being. And if that is true in the Second District of Tennessee, it must be true in other parts of Appalachia. That is what makes this a good program and that is why it ought to be continued.

Mr. JONES of Alabama. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Pennsylvania (Mr. FLOOD).

Mr. FLOOD. The Chairman is very kind in yielding to me.

Mr. Chairman, of necessity, as you older Members know, I must say these few words on this bill.

I was the author, with my great friend, the distinguished Senator from the great State of Illinois, Mr. Douglas, of the ARA. I come from the hard coal fields of Pennsylvania. I was a coal miner. Do not let this mustache fool you. My father was a coal miner and my grandfather was a coal miner and my uncles on both sides of my family were coal miners. So I know whereof I speak.

I came here 25 years ago. When I came here there were 35,000 men in my district working in the anthracite mines. Today, according to my count, there are only 3,500. I see to my left the distinguished gentleman from Pennsylvania (Mr. COUGHLIN). I knew him when he wore diapers. His father was a great lawyer, and he knows whereof we speak.

When the ARA bill expired something had to take its place. At that time this House in its sound judgment gave birth to this bill.

Mr. Chairman, this is a good bill. This is the best bill which we could produce.

I will yield to the gentleman from Pennsylvania, a former Senator from our great State, a minority leader there for 20 years when I was attorney general there so long ago. He is from the soft coal area, the bituminous area.

You know, we have a saying in hard coal—and I see my friend, the gentleman from Kentucky (Mr. NATCHER), here also—we have a saying in hard coal that we have collie dogs with their hind legs, Mr. COUGHLIN, who can scratch bigger holes than they have in the entire bituminous State.

Mr. DENT. Mr. Chairman, I respectfully want to thank the gentleman from Pennsylvania for giving me this opportunity to join him in his praise of this legislation.

I want to go forward and say that I remember when this legislation or this type of legislation was but a gleam in the eye of the gentlemen from up in the hard coal region. The area in the United States, Mr. Chairman, that has had the longest history of depreciation of its values and of unemployment as such was the five-county area of the anthracite region. As the gentleman said, when the ARA died out something had to be done, and to the everlasting credit of this committee and its worthy counsels and its full membership, they realized that something had to be done for this great area.

Mr. Chairman, a suggestion was made once by Cleve Bailey, I think, as the gentleman will remember, wherein Cleve Bailey suggested that one way by which we could cure the problems of the 11-State Appalachian region would be to create a new country known as "Appalachian Independent," put it under foreign aid, take it from under the Fair Labor Standards Act, and give it a free trade protocol with the United States and let them work their will.

Mr. Chairman, without this type of legislation there would be many areas in my particular district that would not have been able to overcome the handicaps which they inherited from the earliest days.

Mr. FLOOD. May I interrupt the gentleman, Mr. Chairman, to say when I first came here, as I say in 1944, the

unemployment caseload in my district was 17.9 percent. Can you imagine that? Today, with the help of the country and you, Mr. Chairman, and this Congress, it is now 2.7 percent.

Mr. DENT. I thank the gentleman for his addition. And, let me again compliment the committee and the Congress for having had the foresight in the beginning to enact this legislation and for having had the foresight in continuing this legislation on the books. I am sure the people of Appalachia are very happy to know that the Congress is aware of their problems and is trying to do something about them.

Mr. CRAMER. Mr. Chairman, I yield 3 minutes to the gentleman from Arkansas (Mr. HAMMERSCHMIDT).

Mr. HAMMERSCHMIDT. Mr. Chairman, I rise in support of H.R. 4018. I have great admiration for the great ability of our distinguished subcommittee chairman, Mr. JONES of Alabama, as well as our own ranking member, Mr. CRAMER. Their teamwork and bipartisan cooperation has furnished excellent leadership for our committee. I would also like to associate myself with the remarks of Mr. EDMONDSON, of Oklahoma. We have a great common interest in how well the Ozark Regional Commission functions. With its assistance, we feel that it will help us evaluate our area's potentialities for growth and discover better means of utilizing human and natural resources. We are just really beginning, but I feel that under this working Federal-State partnership, we will find a much fuller use of invaluable human resources and natural resources to make a good return on the investment authorized by this bill.

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

Mr. JONES of Alabama. Mr. Chairman, I yield 2 minutes to the gentleman from Georgia (Mr. LANDRUM).

Mr. LANDRUM. Mr. Chairman, I listened a moment ago to the very eloquent description of the gentleman from Pennsylvania (Mr. FLOOD) about the genesis of this law which we propose to amend here today. I believe that there is no single piece of legislation which has been passed by this Congress since I have been a Member which has accomplished more good for the people in the areas it serves than has the Appalachian program. It helps to build schools, hospitals, roads, and all of the things that go to make up a prosperous area, a prosperous people, and a healthy society.

Mr. Chairman, this amendment which is brought to the floor in my judgment continues the life of a program which in my opinion has been very beneficial to the people. I think we would be remiss in praising the qualities of this act if we do not also at the same time say something about those who have administered it. I can say that in my opinion no single agency of this Government has done a better job of administering fairly and effectively the provisions of any act than this agency and I commend those responsible for it.

Moreover, Mr. Chairman, I commend the distinguished gentleman from Alabama for his forceful leadership in developing this in his subcommittee, and presenting it to the full Committee on Public Works, chaired by the distinguished gentleman from Maryland. I believe that the members of this committee on both sides of the aisle have rendered a tremendous service to our area in particular, and to the Nation as well in providing this legislation. And in saying that, I want also to endorse all that the gentleman from Kentucky (Mr. PERKINS), and the gentleman from Kentucky (Mr. CARTER), have had to say about this four-laning of highways. It is a shortsighted policy for the Bureau of Public Roads and for the State highway departments of the various States of Appalachia, and for this Commission assisting in the construction of these development highways in the area to proceed in this last one-third of the 20th century with two-lane highways. Take, for example, the highway proposed under this act, part of which is already constructed and much of which is soon to be under construction, and the corridor for which has already been named, between Atlanta, Ga., and Asheville, N.C., linking two metropolitan centers in adjoining States, soon will provide more traffic than two lanes can carry. I hope that they will go, as the chairman of the committee suggested, to a four-lane program immediately.

Mr. Chairman, again I thank the gentleman for yielding.

Mr. JONES of Alabama. Mr. Chairman, I now yield such time as he may consume to the gentleman from North Carolina (Mr. TAYLOR).

Mr. TAYLOR. Mr. Chairman, I support this legislation enthusiastically as I did when the Appalachian program was being created in 1964 and again in 1965, and when the amendments were being acted upon in 1967 because this measure is vital and important to the area that I represent in Congress, and to the entire Appalachian section, and to the Nation.

The strength of this program in part lies in its adaptability from State to State, each State using it to solve its own problems and to meet its own needs. It has permitted national goals to be translated into workable programs to meet local needs. In my opinion, this is the best administered program in Washington. It is making possible construction of vitally needed highways, health and vocational facilities, sewage treatment plants, and other community facilities.

I am convinced that the Appalachian program has made more progress per dollar spent in the district which I represent in Congress than has any other program.

This is a program to rebuild and revitalize the economy of the entire Appalachian area. The highway building proposal in the Appalachian bill, coupled with its other features, promise relief to an area which has suffered economically because of an inadequate highway system.

The rugged geography of the Appalachian region creates tremendous transportation problems and much higher construction cost.

In most sections of the Appalachian Mountains, as in my area, the people have been active in trying to solve their own problems. They have been resourceful, self-reliant, and courageous. They have worked hard and accomplished much. And they appreciate this program.

I am proud to report that practically all of the Appalachian corridor highways approved for western North Carolina are in some stage of development—either in engineering, right-of-way acquisition, contract letting or construction stage.

The new roads and prospects of new roads are already causing new industry to locate in the region and present industries to expand. The new roads planned are already becoming an important factor in the expansion of the area's tourist business.

H.R. 4018 would stretch out the period for which roadbuilding funds are authorized from June 30, 1971, to June 30, 1972. This is necessary in order to permit States to proceed now with the orderly engineering and right-of-way acquisition work necessary for construction projects to be carried out between June 30, 1971, and June 30, 1972.

The vocational training and manpower training features of the program have done much to promote development of technical and vocational training facilities in western North Carolina. As the doors open to vocational training we do much to reduce unemployment, create job opportunities, and to make workers employable by providing new skills. This vocational training development benefits every businessman and every service establishment by increasing the earning ability and per capita income of our citizens. Such training is a safeguard against the effects of automation in this age of science and technology. It provides that our most valuable natural resource, the brains and muscles and ingenuity of our people, can be most effectively utilized. The bill before us authorizes not to exceed $50 million to continue this vocational education program during the 2-year period ending June 30, 1971.

The Appalachian program is promoting local, State, and Federal cooperation in meeting the economic needs of an important section of our Nation. It is encouraging people to help themselves. It deserves the continued support of Congress.

Mr. SCHWENGEL. Mr. Chairman, the Appalachian program had its genesis in the spring of 1960 in two unrelated but simultaneous events—the West Virginia Democratic presidential primary and a meeting of eight Appalachian Governors in Annapolis. The primary gave John Kennedy a firsthand look at Appalachia and extracted from him the pledge to enlist the Government in its cause. At the Governors' meeting, called by Governor Tawes of Maryland, Alabama, Kentucky, Maryland, North Carolina, Pennsylvania, Tennessee, Virginia, and West Virginia were represented—Georgia, Mississippi, New York, Ohio, and South Carolina became involved in the program later at various stages of its evolution.

Soon after he took office in early 1961, President Kennedy named a task force on area development.

The conference of Appalachian Gov-

ernors, which had been formed at the 1960 Annapolis meeting, met in the spring of 1961 with Kennedy and he directed the newly created Area Redevelopment Administration—that had been a product of his task force—to work with the Governors on a State-Federal Appalachian program. Not much progress was made, and a year later an ad hoc Federal agency task force was formed to spur the effort toward developing an Appalachian program.

Another year passed and in March 1963, the recommendation was made to the President that he create an Appalachian commission. Kennedy's response was the President's Appalachian Regional Commission, which was the forerunner of the present Commission. It worked for another year on a legislative program for Appalachia. The bill came before the Committee on Public Works, and in 1964 during the consideration held after the committee refused to go to the area—I went with staff at my own expense to do some on-the-scene studies—we heard testimony from competent people in West Virginia. This revealed clearly that there were serious problems, but many of those were not very well understood. That is the reason that first version of the legislation was not as effective as it could be.

President Johnson recommended to the Congress such a program in early 1964. He signed the Appalachian program into law on April 9, 1965.

The bill had passed both Houses by substantial margins and created a commission to administer Federal funding of a program that was designed to close the gap between the Nation's prosperity and the economic deprivation of Appalachia. The program was given a life of 6 years until June 30, 1971. The highway section of the act was authorized for the full 6 years—all other sections were authorized for 2 years. The other sections were revised and extended in 1967 and are now before the Congress again for revision and extension.

Throughout the early planning and legislative infancy of the program, Gov. William Scranton of Pennsylvania was a leading and outspoken advocate. He made a number of contributions both to the planning and to the legislation.

Beyond that, the program was Republican both in spirit and in letter. First of all, it came ultimately to Washington from the local and State level, rather than vice versa. It also embodied very emphatically the basic premise of the federal system, in that the sovereign States retained their prerogatives and equality with the central government. This program places the initiative with the States and is inoperative without their full concurrence and cooperation

During the 1967 deliberations by the House Committee on Public Works, 15 of the amendments included in the committee-reported bill were Republican sponsored, and I personally was privileged to have offered eight of these. An excess of $38 million was saved by these Republican-sponsored amendments, and later, during debate on the floor, by a vote of 199 to 161, a Republican-sponsored amendment to save an additional $50 million was adopted.

During the congressional consideration of the bill, it had supporters and contributors on both sides of the aisle in both bodies. It still enjoys this unique bipartisan support and has never been the subject of partisanship in either direction.

At present, of 62 Members of the House from the Appalachian region, 37 are Democrats and 25 are Republicans. The program does not have an enemy among them. And they can speak from firsthand knowledge of the way it was conceived and the way in which it operates.

Of the 13 Appalachian Governors, five are Republicans, and a sixth was not too long ago raised to the office of Vice President. There are no more enthusiastic Appalachian program champions than Governors Rockefeller of New York, Rhodes of Ohio, Nunn of Kentucky, Moore of West Virginia, and Shafer of Pennsylvania, or Mr. AGNEW, the Vice President of the United States.

Very early in his administration, President Nixon let it be known that he favored the Appalachian program in substance and in form. He backed this up in his budget revision by leaving untouched the amount that had been requested by the Appalachian program in 1970. And the administration supports this bill today.

The list of Republicans in this body who favor this program is impressive—the gentleman from Kentucky (Mr. CARTER), the gentleman from Maryland (Mr. BEALL), the gentlemen from North Carolina (Mr. MIZELL, Mr. JONAS, and Mr. BROYHILL), the gentlemen from Ohio (Mr. HARSHA and Mr. MILLER), the gentlemen from Tennessee (Mr. QUILLEN and Mr. DUNCAN), the gentleman from Virginia (Mr. WAMPLER) and many more. There are even those from outside Appalachia in both parties who like this program because of the thing it is trying to do, the way it is trying to do it and the success it is having.

If any on this side of the aisle have opposed this program, it is because it has not been as good as it could have been. Which is to say that any Republican opposition has been constructive, an attempt to make a basically good idea even better. We feel we have been able to accomplish something this way and the program now, far from perfect, is better.

The minority members of the committee have been just as interested, just as concerned in the legislation and worked just as hard on it as the other side. I do not think that reveals obstructionism or negativism.

The program is truly bipartisan in every sense. Perhaps that is why it works so well and will achieve certain success.

Much the same may be said for title V of the Economic Development Act. Largely patterned after the Appalachian program, this legislation, also enacted in 1965 authorized the creation of other economic development regions.

These programs have likewise enjoyed bipartisan inspiration and support. Many of the Governors involved in the Ozarks, New England, Great Lakes, Coastal Plains, and Four Corners regions are Republicans and are just as enthusiastic about these programs as their Democratic counterparts. A number of Governors of both parties appeared before the committee during its consideration of this bill and were absolutely unanimous in their praise and support.

These other economic regions of the country have made less progress than Appalachia, mostly because they are given less money by the Congress but the same promise and hope is there slowly coming into bloom.

An overall program with so much support, so much help, so much interest must be given every chance to succeed. That is all we are doing today.

Mr. MOLLOHAN. Mr. Chairman, H.R. 4018 is, of course, a vital piece of legislation to all of us, who live and work in the Appalachian area of this Nation. The concept at the time of the original Appalachian Act was that these areas of the country were in desperate need of massive public investment if they were to regain the prosperity to which the rest of the Nation had become accustomed.

In the 1950's, we lost more than 2½ million people from the Appalachian area. Coal, once king, cut 200,000 jobs in an effort to survive in the 1950's. My State of West Virginia once had six Members of the House of Representatives; after the next census, that will drop to four. The reasons for this situation are apparent enough. First, there was reliance upon extractive industry and agriculture rather than the diversification which other areas had undertaken. Then, too, the hill country of Appalachia was bypassed by the great highways crossing the Nation and linking its markets.

The consequences of these events too were predictable. When coal was no longer king and depression continued in Appalachia, the most vital of investments, the public investment in schools, hospitals, streets, and recreation almost ceased. Like Ireland, Appalachia exported her educated men and women to the other America, one which promised a better hope of rewarding careers.

But, with the advent of the sixties, Appalachia started on the long road back to prosperity. Coal has become mechanized. While it no longer employs the large organization of men which it once did, those it does employ are well paid. And coal has become the core of a huge growth of electric power, particularly in West Virginia.

The interstate and Appalachian highways, along with the enlarged lock and dam system on the Ohio River, are opening up markets for the State of West Virginia. Public investment in medical care and education and transportation and housing are now more in keeping with the large metropolitan centers of our Nation.

The Appalachian Regional Development Act is in no small way responsible for the resurgence. For, it has helped these States to look at themselves in a different manner. Its pragmatic approach to the development of investment and public services has helped not only to finance the public investment in Appalachia, but to redirect the attitudes from a fatalistic pessimism to a "can-

do" approach. This has been particularly apparent, I think, in West Virginia.

We still have far to go before Appalachia begins to win the prosperity that is possible for that region. Key to those efforts, however, is the continuation of the Appalachian Regional Development Act. I would urge my colleagues' support for this measure.

Mr. DORN. Mr. Chairman, I am glad we are voting on this bill which would extend the Appalachian program and the title V commissions for 2 years.

I want to commend our distinguished Chairman GEORGE FALLON, BOB JONES, JOHN BLATNIK, ED EDMONDSON, and other colleagues on the committee for their interest in tomorrow and our future. This bill will mean jobs for the people who reside in the counties of the coastal plains region of my State, where income is low and opportunity is scarce. I agree with my good friend BOB JONES, that the Appalachia program has been a tremendous success. It has provided better roads, educational materials and facilities, better health facilities, and better recreation for the people of Appalachia.

This bill would broaden the present authority for technical assistance and research to authorize demonstration projects and training programs. This means the Coastal Plains Commission and the other title V commissions may now undertake specific innovative activities not covered under existing Federal programs. For the first time, funds are authorized for the construction of new projects where Federal grant-in-aid programs are not now authorized. This was the main thrust of the bill which I introduced earlier this year and I am highly pleased the committee has incorporated the main portions of my bill in H.R. 4018 which we are considering today.

Earlier this year, our distinguished and able Governor, the Honorable Robert E. McNair advocated the establishment of a Regional Marine Development Institute and indicated it was a first and vital step in developing the Carolinas and Georgia Coastal Plains areas. I agree with our Governor. Our region's land is rich, there is an abundance of good water and untapped natural resources. This bill will allow the development and construction of this regional marine facility. It could cost several million dollars. It offers tremendous potential.

The authorization for title V commissions calls for $225 million for 2 fiscal years ending June 30, 1971. One hundred and fifty-nine counties in North Carolina, South Carolina, and Georgia will be eligible for benefits under this legislation. In South Carolina, it will include all the 28 counties from the fall line to the sea.

Mr. Chairman, my area of the country has the advantage of having a large human resource base. In 1965, the population of the Carolina-Georgia coastal region was estimated at 5,395,000. The projected population for 1975 is 6,125,000. Of the 4,987,115 persons in the region in 1960, over 50 percent of the households received incomes below $3,000 annually. The passage of this legislation is the first step in adding to this family income. It is going to provide more jobs and additional income.

Mr. Chairman, I predict this bill will pass by an overwhelming vote of the Members of this body. This authorization offers a unique opportunity for the States, local government and Federal Government to join their talents and resources with industry and agriculture to stimulate economic development.

Mr. MACGREGOR. Mr. Chairman, I would like to comment on the provisions of H.R. 4018 as they apply to a large area of the State of Minnesota. The northern portions of Minnesota lie within the boundaries of the Upper Great Lakes Regional Commission established by the Public Works and Economic Development Act of 1965. As we all know, the thrust and purpose of that act was to provide for the strengthening and improvement of the economies of areas of this Nation not able in themselves to generate the economic growth generally experienced throughout the Nation.

To date, these regional commissions have been formulating comprehensive economic development plans, which I understand, are now reaching final form. They have also, through the technical assistance provisions and the supplemental grant authority in section 509 of the act, been able to provide valuable funding assistance to local subdivisions of Government as they have sought to carry out projects financed by various agencies of the Federal Government. In the Upper Great Lakes region, for example, supplemental grants made available by the Commission during the last fiscal year amount to $2,760,000. These grants were the key to an aggregate funding in the amount of $23,300,000 for projects throughout the region. This means that the Commission was able to provide a funding leverage of $8.45 for each single dollar it was able to spend. In my own State of Minnesota some 20 different projects were funded at a cost of $943,000 to the Commission. These projects were a part of nearly $10 million worth of assistance for the Minnesota portion of the Upper Great Lakes region, obviously an effective use of Federal funds.

For these reasons I am pleased to see that the amendments before us provide for increased funding authorization and increased and broadened authority for the Upper Great Lakes and other title V commissions. The first dollar authority in the bill will strengthen the commissions, make them more viable and also bring Government closer to the people. With greater authority and effective leadership and State-Federal partnership as provided in the act, these commissions can carry out a fundamental and vitally important role in bringing these regions into the broad mainstream of economic life in this Nation.

My confidence in the future performance of the Upper Great Lakes Regional Commission stems in no small part from my personal knowledge of the outstanding ability of its new Federal chief.

Alfred E. France of Duluth, Minn., a veteran State legislator and public relations executive, is Federal cochairman of this commission. The Upper Great Lakes region includes 119 counties in Michigan, Minnesota, and Wisconsin.

France is the top Federal representative on the commission, which includes the Governor of each participating State. The Governors elect one of their group to serve as State cochairman.

France was appointed by President Nixon on April 18, 1969. He was confirmed by the Senate on May 20 and took office on June 24 following the 1969 session of the Minnesota State Legislature.

France served four consecutive terms in the Minnesota State Legislature. He served as chairman of the house cities of the first class committee. He also was involved with problems of taxation, education, Government reorganization, workmen's compensation, and State economic development. In 1963 France was on the committee which drafted, Minnesota's taconite statute and amendment, which brought about major expansion of Minnesota's taconite industry.

France is a 1949 graduate of the University of Minnesota and a veteran of 2 years' service in the Army. He headed his own public relations office in St. Paul from 1949 to 1951. From 1951 to 1954, he was executive secretary and administrative assistant to Minnesota Governors Luther Youngdahl and C. Elmer Anderson.

France was assistant to the director of public relations of the Reserve Mining Co., in Duluth from 1954 to 1957, and director of public relations for H. E. Westmoreland, Inc., a Duluth advertising agency, from 1958 until being named Federal cochairman.

France was born in Harrisburg, Pa., on June 5, 1927. He is married to the former Phyllis Page Brown, of St. Paul, and they have three children.

A resident of Duluth since 1955, France is active in civic affairs. He is a member of the Duluth Area Chamber of Commerce, the Public Relations Society of America, the American Institute of Mining Engineers, the Duluth Long-Range Planning Committee, and a board member of the Minnesota State Safety Council.

Al France has a record of commitment to the economic development of northern Minnesota, Wisconsin, and Michigan. He is fully competent to direct the planning and coordination needed to insure the success of long-range programs increasing both job and incomes in the Upper Great Lakes region.

THE UNFAIRNESS OF H.R. 4018

Mr. BIAGGI. Mr. Chairman, it is my belief that the element of fairness is conspicuously missing from H.R. 4018 which authorizes the renewal and extension of certain sections of the Appalachian Renewal Development Act of 1965.

There are sections of New York City—notably in the Bronx—that require a regional development program, but we have not advanced any proposals for such badly needed assistance.

In addition, both northern New York State and northern New England—which are Appalachia—are not among the beneficiaries of this bill. The decline of farming and industry in northern New York has created economic problems there that are no less serious than the problems confronting the rest of the Appalachian region.

There is no question that there is a

glaring need to reverse the economic decline of the entire Appalachian region, along with some areas of New York City as well.

But this bill, in its present form, is not fair and equitable. Therefore, it is unworthy of support.

Mr. MORSE. Mr. Chairman, I rise in support of H.R. 4018, and in particular title I of the bill, which contains important amendments and new opportunities for continued progress by the regional commissions chartered under the authority of title V of the 1965 Economic Development Act.

The Public Works Committee has reported that the commissions have made major efforts in developing comprehensive economic plans for their respective regions, but that they need expanded authority in order to allow real progress in fulfilling the programs developed over the past 3 years. It has, therefore, recommended expanding the regional commissions' technical and planning assistance authority to permit broader use of these funds for demonstration projects and training programs, confirming the 50-percent Federal share of administrative expenses, and authorizing basic grant authority for Federal programs, in order to "permit implementation of several of the innovative proposals submitted to the committee, particularly by the New England Regional Commission."

The New England Regional Commission has presented a legislative package which covers a broad range of regional problems. One of its most significant efforts is in the area of water pollution—an urgent situation affecting not only the economic development but the health and welfare of all of New England.

As one who has long urged a comprehensive and coordinated approach to the problem of pollution and recommended in legislation the utilization of modern management techniques in the solution of public problems such as pollution control, I am extremely gratified that the New England Regional Commission has recognized the need for such a comprehensive pollution abatement program. It has proposed a pollution-control project which would demonstrate a river basin approach and the feasibility of the use of comprehensive planning and management techniques in attacking the problem of pollution and impementing water quality standards.

The public problems we face today are no longer simple, easily manageable issues. They are vastly complex, made up of intricate interrelationships. And rivers—which do not know the limits of State or city boundaries and are affected by uncontrollable elements such as climate or geographical conditions—are even more complex. Pollution will be effectively eliminated only if we apply means which are commensurate with the magnitude and complexity of the problem, and the New England Regional Commission has envisaged a type of plan which goes beyond the traditional community-by-community "piecemeal" attack on pollution to meet this challenge.

The Commission has selected for the project the Nashua River, a small but badly polluted river that crosses State lines. Several years ago I proposed that the Merrimack River Basin, which includes the Nashua River, be made such a demonstration project. The basin is sufficiently compact and with a severe enough degree of pollution to make it particularly suitable for a demonstration program. Its pollution problems incorporate a wide enough range of situations to provide a particularly good example of methods from which the entire Nation could learn.

The White House has responded encouragingly to this concept. The General Accounting Office, in accordance with the President's directive to review existing pollution control programs as to efficiency and effectiveness, has contracted for the development of a mathematical "systems" model of the Merrimack to determine additional water uses at minimum cost. An outline for a systems analysis study of the Merrimack is available as a guide to developing a proposal, which can appropriately follow up the GAO study.

In view of these timely and new opportunities for progress, in view of the Merrimack Basin's unique suitability to start with this new approach to public problems, and in view of the potential that this approach holds for the entire Nation in the attack against pollution, the New England Regional Commission should be given the authority to undertake the innovative activities it has proposed and the encouragement to expand its view to the entire river basin.

It is a vast challenge and will involve the cooperation of local, State and Federal governments, the coordination of the many Federal, regional, and State agencies involved in pollution control, and the interaction of public and private resources and initiative. A successful experience will, to say the least, be a most compelling case for the wisdom and foresight of the provisions of the legislation before us today. I urge that the New England Regional Commission be afforded this opportunity, and am hopeful for the progress it portends.

Mr. GONZALEZ. Mr. Chairman, the 1960 census revealed vast pockets of poverty in this country. Most striking of all was the poverty in Appalachia—a region that has been described as poor, backward, with resources that have been either overworked or hardly worked at all, with people who have been devastated by lack of opportunity, by changing technology, by lack of even hope itself. Appalachia is an area of which it has been said, those who are young and ambitious leave, because they know the price of staying is an empty life. And so we enacted the Appalachian Regional Development Act in 1965. We hoped by this act to stop the outward migration from Appalachia, to build schools, hospitals, roads, industry, and human hope and dignity. We have achieved much in Appalachia, and there is hope that more still can be done.

But the fact is that Appalachia is not the only pocket of its kind. The existence of other areas is recognized in the various commissions established to develop plans for action and progress—the Four Corners Commission in the Southwest, and others in the Ozarks, the Great Lakes, New England, and Coastal Plains. But even these commissions do not encompass those pockets wherein all the most bitter poverty lies. The fact is that none of these commissions covers the southern parts of Texas, Arizona, New Mexico, and California. It is a fact that while one out of six people in the United States reside in those States, one out of every four poor people live in those same States, and many of them in the southern border areas of those States. In the southern part of Texas alone there is a region of sufficient size and poverty to merit its being designated a little Appalachia. I believe that Congress ought to enact a statute recognizing the region for what it is, and propose that we establish whatever kind of planning commission may be necessary to find the key to the riddle of poverty along our southern border, and to undertake such public works and other actions as may be necessary to end poverty and despair once and for all along that thousand mile stretch of poverty. Our southern border region cries out for recognition, and for action to resolve its desperate wants.

There are 28 counties in south Texas, and in 1960 the census showed that those counties contained 616,000 poor people. No less than 37 percent of the population of south Texas is poor. And in fact, there are probably 400,000 people in that region who live in families having less than $2,000 annual income. It would be hard to find any place in the United States that holds poverty as wide and as deep as south Texas.

By and large south Texas has always been poor, and the people have never known much else but a hard life, hot sun and the dry wind.

Gigantic as the problems are, and as old as they are, there is much reason for hope in south Texas. I am convinced that if the region is treated as a development area, and its whole resources are taken into account, it would be possible to initiate programs that will completely change the economic nature of the area. Thus far there have been only the most tentative steps toward comprehensive planning in the area. But even these tentative steps show that there is a good reason for holding forth hope for south Texas and the southern border. A study of tourism in the south Texas triangle, so-called, reveals that here is an industry natural to the area, just waiting to be developed. Yet this study ironically is also a cause of frustration, for there is precious little available to actually carry out the recommenations of the study. What is needed then is a program that can study possibilities and find potentials, and a complementary program that can carry out those recommendations and capitalize on potentials.

The people of south Texas are anxious for a better day to come. They are willing to help themselves, but this Congress recognizes today as it did in 1965 that desire alone cannot solve economic problems. Resources, planning, and action are required to put reality into being. Only a regional development commission empowered to study and act can serve as the catalyst to end frustration and bring

that long-awaited better day to south Texas.

Even in the desert the cactus flowers and bushes grow. Desert life is lean and tenacious, accustomed to hardship, and deep rooted.

The people of south Texas and the southern border know well their arid country, and they have good reason to love it. Their roots go deep, and they are anxious to stay. These people need help, have waited too long for it, and have great need of it. We would be derelict if we failed to recognize today their needs, and act to meet those needs.

Mr. McDADE. Mr. Chairman, I rise in support of the bill we have before us today, because I think it to be one of the outstanding programs developed by our Government in this decade.

It represents, first of all, a partnership between the Federal Government and many State governments, which is a model for what such a cooperative effort should be. There are no decisions handed down by the Federal Government to the States to tell the State what it must do. Each project is worked out in careful consultation and no project is pursued unless both State and Federal Governments wish to pursue it.

In my own congressional district, the Appalachian regional development program has operated with marvelous success.

We have had three major mine fires in one county in my district over the past several years. One mine fire posed an immediate threat to the south part of the city; and if left unchecked, could have made the entire city of Scranton unlivable. A joint State and Federal effort to seal this mine fire off from the city was entered upon. And I am pleased to report that this effort has met with complete success. For this, we can give a major share of our thanks to the Appalachian program.

There was a second mine fire which threatened our new industrial park on the border of Dunmore. Again a joint Federal-State effort was mounted, and again—thanks largely to the Appalachian program—that industrial park has been saved from destruction.

There is a third mine fire on the border of the city of Carbondale. This fire threatens not only Carbondale, but also the other communities just south of the city. Again a joint Federal-State project is even now progressing. And I know that the competent men from the State and Federal Governments—helped by the Appalachian program—will bring that mine fire to a halt also.

In these three efforts the Appalachian program has meant the literal salvation of these large communities of people. Were they the only Appalachian projects in my district, I would be here today to give this bill my vigorous support. In fact, of course, there are many others.

We have also faced the problem of mine subsidence in my congressional district. Over the past several years, some $2½ million in Appalachian money has been invested in this fight against subsidence which threatened many of the homes located over coal veins which had been mined. Again this program has meant salvation for the fine people who own these homes.

We have turned to the Appalachian program for help in the health facilities in our area; $63,000 of Appalachian money went to the Allied Services Community Center for the Mentally Retarded. Here the money would be invested to help those people who are most urgently in need of help and who are least capable of helping themselves.

Through the Appalachian program, we are constructing new access roads.

Through the Appalachian program, we are moving ahead in the construction of sewage treatment plants.

In 1965, when the Appalachian Regional Development Act was passed by the Congress, all of us who lived in the Appalachian area looked to this act with enormous hope. I assure you, my colleagues, that our hope has not been in vain. We have seen that hope justified many, many times over the past several years. I urge my colleagues to give this legislation their enthusiastic support. It is a model of excellent legislation. I know it will be passed overwhelmingly.

Mr. JONES of Alabama. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. There being no further requests for time, pursuant to the rule, the Clerk will now read the substitute committee amendment printed in the reported bill as an original bill for the purpose of amendment.

Mr. JONES of Alabama. Mr. Chairman, I ask unanimous consent that the substitute committee amendment be considered as read and printed in the RECORD, and open to amendment at any point.

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

Mr. GROSS. Mr. Chairman, reserving the right to object, I see no reason why we should not proceed with the reading of this bill for at least a short time, until some of us, who have not had the opportunity to speak up to this point, may have a minute or two.

Therefore, I object at this time to dispensing with the reading of the bill.

Mr. JONES of Alabama. This does not interpose any objection to the gentleman from Iowa offering any amendments or making use of whatever time is necessary.

Mr. GROSS. I want to say to the gentleman from Alabama, that what occurs when a bill is considered to be read and open for amendment, is that the committee members then get priority on the time to introduce their amendments. Therefore, Mr. Chairman, for the time being I object.

Mr. JONES of Alabama. Mr. Chairman, I am sorry that the gentleman from Iowa objects, and I am sorry that the gentleman took that point of view, that somebody was trying to keep him from making an objection or an exception to the bill.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—AMENDMENTS TO THE PUBLIC WORKS AND ECONOMIC DEVELOPMENT ACT of 1965

SEC. 101. This title may be cited as the "Regional Action Planning Commission Amendments of 1969".

SEC. 102. (a) The second sentence of subsection (a) of section 505 of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3185) is amended by striking out the period at the end thereof and inserting in lieu thereof a comma and the following: "and planning, investigations, studies, demonstration projects, and training programs which will further the purposes of this Act."

(b) The second sentence of subsection (b) of section 505 of such Act is amended to read as follows: "Thereafter, such expenses shall be paid 50 per centum by the Federal Government and 50 per centum by the States in the region, except that the administrative expenses of the Federal cochairman, his alternate, and his staff shall be paid solely by the Federal Government. The share to be paid by each State shall be determined by the Commission. The Federal cochairman shall not participate or vote in such determination."

(c) Subsection (c) of section 505 of such Act is repealed.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the chairman of the subcommittee that brought this bill to the floor says that this is a popular program. If you can assemble a gravy train long enough, with the capacity to haul enough money, then you have a popular bill as I have found in the few years that I have been here. Of course, it is popular because it is a gravy train. Incidentally, the "gravy planes" will be leaving Washington tomorrow for Florida and you will probably see the biggest exodus from this city since the first Battle of Bull Run.

It is strange indeed that there are no reports from any department of the Government as to the merit or demerit of the bill or the program for which it seeks to provide millions of dollars.

This report contains not one single word or syllable as to what the Nixon administration thinks about this program. I am unable to account for it. Perhaps there are those in this Chamber who can account for the fact that there is not one word representing the position of the new administration of this Government regarding this expenditure.

I am also disturbed by what appears to be a 25 percent allowance in the bill for administrative expenses. Is this normal in the Federal Government that 25 percent be expended for administration? I thought it was normally somewhere near 10 percent to 15 percent.

Again, I am disturbed to hear here today, reference to cost sharing on projects in the various local communities. We have been told that if the local community cannot come up with its share of the money, then the Federal Government just steps in and takes care of it.

I am disturbed by what I have heard about the construction of super highways. I do not find anything delineated here and I would like to ask a question of someone as to how much of the money in this Appalachian program has gone

for the construction of interstate or other superhighways?

In the matter of road building, I thought those entrusted with this Appalachian program were to build farm to market roads and access roads to serve the communities that were supposed to be built up.

Now, what has been spent for interstate or four-lane super highways in this alleged poverty region?

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

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

Mr. CRAMER. The Appalachian regional development area has about 2,700 miles authorized of development highways. We already approved a system of 2,700 miles and of that 2,600 miles are presently under construction.

This is not an additional or new authorization. This merely carries out the balance of the previously agreed to total of $1,015,000,000 authorization for that number of miles in development highways within the Appalachian region. This merely finishes the authorization within that already-established maximum figure.

Mr. GROSS. I will say to my friend from Florida, that I do not care whether the money was authorized and appropriated 4 years ago or 14 years ago. What I am interested in is the sort of situation that the gentleman from Ohio (Mr. HAYS) called to our attention a little while ago, and for which I did not think he got a good answer—the use of money in Ohio for certain road-building purposes. Can the gentleman enlighten us as to what happened there and how many miles of superhighway have been built with this alleged poverty bill?

Mr. CRAMER. I will say to the gentleman that if it is not part of the economic highway system previously referred to, the 2,700 miles, 2,600 of which is already determined, then it does not qualify. This does not mean putting the missing link into the Interstate System obviously. That is a separate program. It does not mean putting the missing link into U.S. 1 or 21, which was mentioned by another gentleman. It is not part of the development highway system. That is the basic existing highway system in America. This is the specifically designated 2,700-mile development highway system within Appalachia, which, in effect, is a supplement to the basic program in the rest of the country.

Mr. GROSS. Why should a single dime of money in this bill—a single dime authorized by this legislation or any other previous legislation—be used to construct superhighways of any kind in the 13 States covered by this program?

Mr. CRAMER. I will say to the gentleman, in my opinion, the development highways are not limited-access highways. They are not superhighways. They are not interstate highways. They are to open the development of these areas. In some instances they are four-lane and in other instances two-lane existing highways. They are intended to further open up the areas and to provide access roads in another program to open up new areas that have no roads. That is not superhighways, in my opinion, I will say to the gentleman.

Mr. GROSS. To those of us who still cannot get four-lane highways, although we have a city or cities that meet every criteria, the use of a so-called poverty program to construct them elsewhere is incredible and totally unacceptable.

Implicit in this Appalachian program, which stretches from New York down into Mississippi, Alabama, and South Carolina, is the worst kind of discrimination in the use of Federal funds. Moreover, there is all kinds of duplication with other programs.

This legislation is in the nature of special privilege and I am opposed to it.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 103. (a) The first sentence of subsection (a) of section 509 of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3188a) is amended (1) by inserting after "share," the following: "or for which there are insufficient funds available under the Federal grant-in-aid Act authorizing such programs to meet pressing needs of the region,", and (2) by striking out "for the sole" and inserting in lieu thereof the following: "for all or any portion of the basic Federal contribution to projects under such Federal grant-in-aid programs authorized by Federal grant-in-aid Acts, and for the".

(b) The next to the last sentence of subsection (a) of section 509 of such Act is amended to read as follows: "In the case of any program or project for which all or any portion of the basic Federal contribution to the project under a Federal grant-in-aid program is proposed to be made under this subsection, no such Federal contribution shall be made until the responsible Federal official administering the Federal grant-in-aid Act authorizing such contribution certifies that such program or project meets all of the requirements of such Federal grant-in-aid Act and would be approved for Federal contribution under such Act if funds were available under such Act for such program or project. Funds may be provided for programs and projects in a State under this subsection only if the Commission determines that the level of Federal and State financial assistance under titles of this Act other than this title, and under Acts other than this Act, for the same type of programs or projects in that portion of the State within the region will not be diminished in order to substitute funds authorized by this subsection."

(c) Subsection (c) of section 509 of such Act is amended by striking out in the first sentence thereof "December 31, 1967" and inserting in lieu thereof "December 31, 1970".

(d) Subsection (d) of section 509 of such Act is amended to read as follows:

"(d) There is authorized to be appropriated to the Secretary to carry out this title, for the two-fiscal-year period ending June 30, 1971, to be available until expended, not to exceed $225,000,000. Not less than 10 per centum nor more than 30 per centum of the amounts appropriated under this authorization for any fiscal year shall be made available for any one regional commission."

SEC. 104. Title V of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3181 et seq.) is amended by adding at the end thereof the following new section:

"COORDINATION

"SEC. 511. The Secretary shall coordinate his activities in making grants and loans under title I and II of this Act with those of each of the Federal cochairmen in making grants under this title, and each Federal cochairman shall coordinate his activities in making grants under this title wtih those of the Secretary in making grants and loans under titles I and II of this Act."

TITLE II—APPALACHIAN REGIONAL DEVELOPMENT ACT AMENDMENTS OF 1969

SEC. 201. This title may be cited as the "Appalachian Regional Development Act Amendments of 1969".

SEC. 202. Subsection (b) of section 105 of the Appalachian Regional Development Act of 1965 (40 App. U.S.C. 105) is amended to read as follows:

"(b) To carry out this section there is hereby authorized to be appropriated to the Commission to be available until expended, not to excess $1,900,000 for the two-fiscal-year period ending June 30, 1971. Not to exceed $475,000 of such authorization shall be available for the expenses of the Federal cochairman, his alternate, and his staff."

SEC. 203. (a) The second sentence of section 201(a) of the Appalachian Regional Development Act of 1965 (40 App. U.S.C. 201) is amended to read as follows: "The provisions of sections 106(a) and 118 of title 23, United States Code, relating to the obligation, period of availability, and expenditure of Federal-aid highway funds, shall apply to the development highway system and the local access roads, and all other provisions of such title 23 that are applicable to the construction and maintenance of Federal-aid primary and secondary highways and which the Secretary determines are not inconsistent with this Act shall apply, respectively, to such system and roads."

(b) Subsection (g) of section 201 of the Appalachian Regional Development Act of 1965 (40 App. U.S.C. 201) is amended by striking out "four-fiscal-year period ending June 30, 1971." and inserting in lieu thereof "five-fiscal-year period ending June 30, 1972, except that not to exceed $195,000,000 of such amount may be obligated for any one such fiscal year."

SEC. 204. (a) The first sentence of clause (2) of subsection (a) of section 205 of the Appalachian Regional Development Act of 1965 (40 App. U.S.C. 205) is amended by striking out "in accordance with the" and inserting in lieu thereof "or to make grants to the States for carrying out such projects, in accordance with the applicable".

(b) Subsection (b) of such section 205 is amended by striking out "and 1969" and inserting in lieu thereof "1969, 1970, and 1971".

SEC. 205. Subsection (c) of section 214 of the Appalachian Regional Development Act of 1965 (40 App. U.S.C. 214) is amended by striking out "December 31, 1967" in the first sentence thereof and inserting in lieu thereof "December 31, 1970".

SEC. 206. Section 302(a)(1)(B) of the Appalachian Regional Development Act of 1965 (40 App. U.S.C. 302) is amended by inserting before "a local" the following: "a State agency certified as".

SEC. 207. Section 401 of the Appalachian Regional Development Act of 1965 (40 App. U.S.C. 401) is amended by striking out the period at the end thereof and inserting in lieu thereof a comma and the following: "and not to exceed $250,000,000 for the two-fiscal-year period ending June 30, 1971, to carry out this Act, of which amounts not to exceed $85,000,000 is authorized for section 202, $15,000,000 for section 203, $15,000,000 for section 205, $2,000,000 for section 207, $50,000,000 for section 211, $75,000,000 for section 214, and $8,000,000 for section 302.".

SEC. 208. Section 405 of the Appalachian Regional Development Act of 1965 (40 App. U.S.C. 405) is amended by inserting immediately after "Act" the following: ", other than section 201,".

Mr. JONES of Alabama. Mr. Chairman, I renew my request. I ask unanimous consent that the committee amendment in the nature of a substitute be

considered as read, printed in the RECORD, and open to amendment at any point.

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

There was no objection.

AMENDMENT OFFERED BY MR. CLEVELAND

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

The Clerk read as follows:

Amendment offered by Mr. CLEVELAND: On page 8, after line 5, insert the following new section:

"SEC. 208. Section 403 of the Appalachian Regional Development Act of 1965 (40 App. U.S.C. 403) is amended as follows:

"(1) By inserting after the clause relating to the counties in Kentucky the following:

" 'In Maine, the counties of Aroostook, Franklin, Oxford, Penobscot, Piscataquis, and Somerset;';

"(2) by inserting after the clause relating to the counties in Maryland the following:

" 'In Massachusetts, the counties of Berkshire and Franklin;';

"(3) by striking out the clause relating to the counties in New York and by inserting in lieu thereof the following:

" 'In New Hampshire, the counties of Belknap, Carroll, Cheshire, Coos, Grafton, Merrimack, and Sullivan;

" 'In New York, the counties of Albany, Allegany, Broome, Cattaraugus, Cayuga, Chautauqua, Chemung, Chenango, Clinton, Columbia, Cortland, Delaware, Dutchess, Essex, Franklin, Fulton, Greene, Hamilton, Herkimer, Jefferson, Lewis, Livingston, Madison, Montgomery, Oneida, Onondaga, Ontario, Oswego, Otsego, Rensselaer, Saint Lawrence, Saratoga, Schenectady, Schoharie, Schuyler, Seneca, Steuben, Sullivan, Tioga, Tompkins, Ulster, Warren, Washington, Wyoming, and Yates;';

"(4) By inserting after the clause relating to the counties in Tennessee the following:

" 'All the counties of Vermont;'."

Renumber succeeding section accordingly.

Mr. CLEVELAND (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

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

There was no objection.

Mr. CLEVELAND. Mr. Chairman, during general debate I described the amendment that I have just offered at some length. I briefly stated that the amendment would include in the Appalachian Regional Commission System parts of northern New England and northern New York. Specifically, it would include the Katahdin Mountain Range in Maine, the White Mountains in New Hampshire, the Green Mountains of Vermont, part of the Berkshires in western Massachusetts, the Catskills, and the Adirondack Mountains, of New York.

As I pointed out earlier, Mr. Chairman, during general debate, the dictionary definition of Appalachian includes those mountain ranges.

As I pointed out in the supplemental views, which are printed, and which I know you all read with great care and interest, many of the problems that have plagued Appalachia, many of the problems which we hope to solve in Appalachia, are problems of a similar nature that are faced in many areas of northern New England and northern New York.

Let me say in fairness to the committee, which has turned down this amendment, that the Governors of all the States involved have not requested to be included. And let me say further, in fairness to the committee, because the committee has been quite fair with me in this regard, northern New England, of course, is also included in the New England Regional Commission.

Under the provisions of the New England Regional Commission, it is quite possible that some of the Appalachian-type relief we seek might be granted to parts of northern New England. I point out, however, that northern New York is not included in any region, and parts of northern New York have problems very similar to those found in Appalachia. In addition, northern New York and New England must work together on mutual problems such as east-west highways.

I might just point out in this connection this map, and the Appalachian Mountain chain is shown here. If Members examine that map closely, they will find that parts of northern Mississippi, that have been so well represented by the distinguished gentleman from Mississippi (Mr. MONTGOMERY), who I see on the floor, are in the Appalachian system.

So my suggestion is simply that if we can go a little bit west and a little bit south to take care of Mississippi, is it not also fair to go just a little bit north and a little bit east to take care of parts of New England and New York? I know the gentleman agrees with me because he is for good legislation, and good legislation is fair legislation.

I would like to point out one other aspect of this. The committee debate on this amendment pointed out there are parts of New England which would, if this amendment were adopted, then include two systems, the New England regional system as well as the Appalachian system. However, this is true of many other parts of the country. I have another map here which shows that many EDA areas are also part of the Appalachian area.

Again I have another map, and the purpose of this third map is simply to show that the areas we wish to add, as compared to the second map, would only give the same treatment to parts of New England. In addition, the maps show that parts of Appalachia also encompass not only EDA, but TVA, thus enjoying the benefits of three economic development programs.

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

Mr. CLEVELAND. I yield to the gentleman from Mississippi.

Mr. MONTGOMERY. Mr. Chairman, I appreciate the gentleman yielding.

I wish the gentleman would turn back to the first map, the bottom map, which is the relief map, which I am sure the gentleman is familiar with. I wish the gentleman would explain the distance between the contours on his map. Also, I could not find the true north nor the grid north, nor the magnetic north, so I could determine whether this map is accurate or not.

I say to the gentleman it depends on which map we read when we decide what is and what is not in Appalachia.

The CHAIRMAN. The time of the gentleman from New Hampshire has expired.

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

Mr. CLEVELAND. If I understood the question of the gentleman from Mississippi—and I am not sure I did understand it.

Mr. MONTGOMERY. I am not sure I understand it either.

Mr. CLEVELAND. The gentleman from Mississippi would like a basic lesson in map reading?

Mr. MONTGOMERY. I understand map reading.

Mr. CLEVELAND. I understood the gentleman was a distinguished member of the National Guard, and I supposed he could read a map like the palm of his hand.

Mr. MONTGOMERY. I can, but I do not understand his map. Can the gentleman give me the title of the map?

I thought the gentleman was familiar with his map.

Mr. CLEVELAND. I would like to tell the gentleman from Mississippi this is a map of the United States.

Mr. MONTGOMERY. I thank the gentleman for answering my question.

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

Mr. CLEVELAND. I should quit while I am ahead, but I will yield to the gentleman.

Mr. GROSS. Would the gentleman accept an amendment to put the State of Iowa in, or are we are blocked off the gravy train?

Mr. CLEVELAND. As I told the gentleman 4 years ago, I would be willing to put Iowa in there if the gentleman would offer an amendment.

Mr. GROSS. They will not even let us close to this gravy train. Will the gentleman accept that amendment?

Mr. CLEVELAND. I will accept the amendment if the gentleman has it prepared.

SUBSTITUTE AMENDMENT OFFERED BY MR. M'EWEN FOR THE AMENDMENT OFFERED BY MR. CLEVELAND

Mr. McEWEN. Mr. Chairman, I offer an amendment as a substitute for the amendment offered by the gentleman from New Hampshire.

The Clerk read as follows:

Amendment offered by Mr. McEWEN as a substitute for the amendment offered by Mr. CLEVELAND: On page 8, after line 5, in lieu of the matter proposed to be added by the amendment insert the following:

"SEC. 208. Section 403 of the Appalachian Regional Development Act of 1965 (48 App. U.S.C. 403) is amended by adding at the end thereof the following:

" 'The President is authorized and directed to make a study of the extent to which portions of upper New York State, Massachusetts, Vermont, New Hampshire, and Maine which are geographically part of the Appalachian region and share the social and economic characteristics thereof should be included in the region in order to carry out the purposes of this Act. He shall submit the results of such study together with his recommendations to Congress no later than June 30, 1970.' "

Renumber the succeeding section accordingly.

The CHAIRMAN. The gentleman from New York is recognized for 5 minutes in support of his substitute amendment.

Mr. JONES of Alabama. Mr. Chairman, will the gentleman yield?

Mr. McEWEN. I am pleased to yield to the gentleman from Alabama.

Mr. JONES of Alabama. We are willing to accept the substitute amendment offered by the gentleman from New York. Certainly it is a request which will require consideration and study. There might be a need to vacate the Northeast Commission and to substitute, in lieu of the Appalachian Commission. Therefore, it is an appropriate study; therefore, we are ready to accept the substitute amendment.

Mr. McEWEN. Mr. Chairman, I thank the chairman of my subcommittee, the gentleman from Alabama, for his consideration of this proposed amendment.

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

Mr. McEWEN. I yield to the gentleman from Florida.

Mr. CRAMER. I, too, want to express my support for the gentleman's amendment, subject to the understanding that the amendment is not mandatory in nature so far as inclusion of additional territory is concerned and, secondly, it does not preclude within the study consideration of upstate New York or any portion as spelled out from being a part of the presently existing northeast region or any future development region. Is that the gentleman's intention?

Mr. McEWEN. I would say to the gentleman, that is absolutely correct. That is the gentleman's intention.

I might say, Mr. Chairman, that a mere glance at the map which appears on page 21 of the committee report, showing the Appalachian region as it now exists and the New England Region, makes quite clear that there is one area of Appalachia in northern New York that is neither of these regions, an area which has an unemployment rate higher than almost all the rest of Appalachia.

Whether it is under Appalachia, or an EDA region, I hope both may be considered.

Again I thank the gentleman from Florida as well as the chairman of the subcommittee, the gentleman from Alabama.

Mr. McCARTHY. Mr. Chairman, will the gentleman yield,

Mr. McEWEN. I yield to my colleague from New York.

Mr. McCARTHY. I thank the gentleman from New York for yielding, and I reiterate what he said as to the indices in this part of New York State.

I compliment the gentleman and the gentleman from New Hampshire for their effort in this regard. Certainly I want to express my thanks and my compliments to the gentleman from Alabama for recognizing the importance of this and accepting this substitute amendment.

Mr. DON H. CLAUSEN. Mr. Chairman, will the gentleman yield?

Mr. McEWEN. I am happy to yield to the gentleman from California.

Mr. DON H. CLAUSEN. I want to join in support of the amendment. Having served on the Public Works Committee and having visited the area, I believe the gentleman has developed a realistic approach through the contents of his amendment, and I certainly urge its passage.

Mr. McEWEN. I thank the gentleman from California and my colleague from New York, who have supported me.

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

Mr. McEWEN. I yield to the gentleman from New Hampshire.

Mr. CLEVELAND. Mr. Chairman, I believe the substitute makes eminent good sense at this time, and I should be glad to accept it.

Mr. McEWEN. I thank the gentleman.

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

Mr. Chairman, I take this time to ask only the question of what do you have to do to qualify for an Appalachian handout? Do you have to have a mountain and poverty, or will just a mountain do?

Mr. McEWEN. Mr. Chairman, if the gentleman will yield, I will be happy to respond to the gentleman from Iowa.

I would say if you have mountains and if you have an outmigration and if you have an unemployment rate higher than the national average—and the area which this substitute amendment is directed to has all three—it would be eligible. If Iowa meets those standards, I think it should be considered.

Mr. GROSS. But you do have to have a mountain or a hill or a mound of some kind. Is that right? I am at a loss to understand just what it takes to qualify and get on the payroll so easily as is being demonstrated with this amendment.

Mr. CLEVELAND. Will the gentleman yield?

Mr. GROSS. I yield to the gentleman.

Mr. CLEVELAND. I do not think it is absolutely necessary to have a mountain or a hill. As I mentioned earlier in this discussion, parts of Mississippi apparently have been included in the Appalachia region. They are relatively level. However, I think that the concept of Appalachia is built up around the following basic fact: In the hill countries modern agriculture is not entirely feasible or fully competitive. Due to improvements in transportation and the fact that the broad, flat fields of the West can be more easily farmed by modern equipment, this results in the fact that in these Appalachia regions and in the hill regions small family farms have declined and with them the communities in which they are located have declined.

Mr. GROSS. I will say to the gentleman that the farmers of Iowa have been farming hills for a long, long time.

Mr. DENT. Will the gentleman yield?

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

Mr. DENT. Mr. Chairman, I believe the best way to answer the gentleman from Iowa is to say that you need high hills and distress to get Appalachia, just as we need tall corn and Appalachia to get in the $7 billion farm program.

Mr. GROSS. You mean they subsidized your cost of living for a long, long time and that accounted for a substantial part of the $7 billion the gentleman is talking about.

Mr. DENT. I do not think you have to subsidize us. We have 93,000 family farms in Pennsylvania and they all sustain themselves.

Mr. GROSS. And they have to have this legislation to help sustain them, this gravy train operation that the gentleman is putting forward so avidly.

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

Mr. Chairman, I would like to inquire of the distinguished gentleman from Alabama with respect to section 401 which appears on page 29 of the report, the italicized language, "not to exceed $250 million in the 2 fiscal year period ending June 30, 1971." Is that one $250 million or $250 million for each fiscal year?

Mr. JONES of Alabama. Will the gentleman yield?

Mr. HUNGATE. I yield to the gentleman.

Mr. JONES of Alabama. It is one $250 million.

Mr. HUNGATE. For the 2-year period. I thank the gentleman.

The CHAIRMAN. The question is on the substitute amendment offered by the gentleman from New York for the amendment offered by the gentleman from New Hampshire.

The substitute amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Hampshire, as amended.

The amendment, as amended, was agreed to.

The CHAIRMAN. The question is on the committee substitute amendment, as amended.

The committee substitute amendment, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. SLACK, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4018) to provide for the renewal and extension of certain sections of the Appalachian Regional Development Act of 1965, pursuant to House Resolution 473, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

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

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

The SPEAKER. The question is on the passage of the bill.

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

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

The SPEAKER. Evidently a quorum is not present.

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

The question was taken; and there were—yeas 273, nays 103, not voting 56, as follows:

[Roll No. 106]

YEAS—273

Abernethy	Gettys	Murphy, N.Y.
Adams	Giaimo	Natcher
Addabbo	Gibbons	Nedzi
Albert	Gilbert	Nelsen
Alexander	Gray	Nichols
Anderson, Calif.	Green, Oreg.	Nix
	Green, Pa.	Obey
Anderson, Ill.	Griffin	O'Hara
Andrews, N. Dak.	Griffiths	O'Konski
	Gubser	Olsen
Annunzio	Gude	O'Neal, Ga.
Ashley	Hagan	Ottinger
Ayres	Hammer-schmidt	Patman
Barrett		Pepper
Beall, Md.	Hanley	Perkins
Bevill	Hansen, Idaho	Pettis
Biester	Hansen, Wash.	Philbin
Bingham	Harvey	Pirnie
Blanton	Hastings	Podell
Blatnik	Hathaway	Pucinski
Boland	Hawkins	Quie
Boiling	Hays	Quillen
Bow	Hébert	Randall
Brademas	Hechler, W. Va.	Rees
Brasco	Helstoski	Reid, N.Y.
Brinkley	Hicks	Reifel
Brock	Hogan	Reuss
Brooks	Holifield	Riegle
Brotzman	Hosmer	Rivers
Brown, Mich.	Howard	Roberts
Brown, Ohio	Ichord	Robison
Broyhill, N.C.	Jacobs	Rodino
Burke, Mass.	Joelson	Rogers, Colo.
Burlison, Mo.	Johnson, Calif.	Rooney, N.Y.
Burton, Calif.	Johnson, Pa.	Rooney, Pa.
Button	Jonas	Rosenthal
Byrne, Pa.	Jones, Ala.	Rostenkowski
Byrnes, Wis.	Jones, N.C.	Roybal
Caffery	Jones, Tenn.	Ruppe
Carter	Kastenmeier	Ruth
Cederberg	Kazen	Ryan
Celler	Kee	St Germain
Chamberlain	Keith	St. Onge
Chisholm	King	Sandman
Clark	Kluczynski	Saylor
Clausen, Don H.	Koch	Schneebeli
	Kyros	Schwengel
Clay	Landrum	Shipley
Cleveland	Langen	Sikes
Cohelan	Latta	Sisk
Conyers	Leggett	Slack
Corbett	Lennon	Smith, Iowa
Corman	Long, Md.	Snyder
Coughlin	Lowenstein	Stafford
Cramer	Lujan	Staggers
Culver	McCarthy	Stanton
Daddario	McCloskey	Steed
Daniels, N.J.	McCulloch	Stephens
Davis, Ga.	McDade	Stokes
Dent	McEwen	Stratton
Diggs	McFall	Stubblefield
Dingell	McKneally	Stuckey
Donohue	McMillan	Sullivan
Dorn	Macdonald, Mass.	Symington
Downing		Taft
Dulski	MacGregor	Talcott
Duncan	Madden	Taylor
Eckhardt	Mann	Thompson, Ga.
Edmondson	Mathias	Thompson, N.J.
Edwards, Calif.	Matsunaga	Thomson, Wis.
Edwards, La.	May	Tiernan
Eilberg	Mayne	Udall
Eshleman	Meeds	Ullman
Evans, Colo.	Melcher	Van Deerlin
Evins, Tenn.	Meskill	Vanik
Fallon	Mikva	Vigorito
Farbstein	Miller, Calif.	Waggonner
Fascell	Miller, Ohio	Waldie
Feighan	Mills	Wampler
Fish	Minish	Watkins
Flood	Mink	Watts
Flowers	Mizell	Weicker
Foley	Mollohan	Whalen
Ford, Gerald R.	Monagan	Whalley
Foreman	Montgomery	White
Fountain	Moorhead	Whitehurst
Friedel	Morse	Whitten
Fulton, Pa.	Morton	Widnall
Fulton, Tenn.	Mosher	Williams
Galifianakis	Moss	Wright
Gaydos	Murphy, Ill.	Yates
Yatron	Zablocki	Zwach
Young	Zion	

NAYS—103

Adair	Findley	Pickle
Andrews, Ala.	Flynt	Pike
Arends	Frey	Poage
Ashbrook	Fuqua	Poff
Baring	Goldwater	Price, Tex.
Belcher	Gonzalez	Purcell
Bell, Calif.	Goodling	Rarick
Bennett	Gross	Reid, Ill.
Blackburn	Grover	Rhodes
Bray	Haley	Rogers, Fla.
Broyhill, Va.	Hall	Roth
Buchanan	Heckler, Mass.	Roudebush
Burke, Fla.	Horton	Satterfield
Burleson, Tex.	Hull	Schadeberg
Bush	Hungate	Scherle
Casey	Hunt	Scott
Clancy	Hutchinson	Sebelius
Clawson, Del	Jarman	Shriver
Collier	Kyl	Skubitz
Collins	Landgrebe	Smith, Calif.
Colmer	Long, La.	Smith, N.Y.
Conable	Lukens	Springer
Conte	McClory	Steiger, Ariz.
Cowger	McClure	Steiger, Wis.
Daniel, Va.	McDonald, Mich.	Teague, Calif.
Davis, Wis.		Utt
Dellenback	Mahon	Vander Jagt
Denney	Mailliard	Wiggins
Dennis	Marsh	Winn
Derwinski	Martin	Wold
Devine	Michel	Wyatt
Dickinson	Minshall	Wydler
Dowdy	Myers	Wylie
Edwards, Ala.	Passman	Wyman
Erlenborn	Pelly	

NOT VOTING—56

Abbitt	Dwyer	Mize
Anderson, Tenn.	Esch	Morgan
	Fisher	O'Neill, Mass.
Aspinall	Ford, William D.	Patten
Berry		Pollock
Betts	Fraser	Powell
Biaggi	Frelinghuysen	Preyer, N.C.
Boggs	Gallagher	Price, Ill.
Broomfield	Garmatz	Pryor, Ark.
Brown, Calif.	Halpern	Railsback
Burton, Utah	Hamilton	Ronan
Cabell	Hanna	Scheuer
Cahill	Harsha	Teague, Tex.
Camp	Henderson	Tunney
Carey	Karth	Watson
Chappell	Kirwan	Wilson, Bob
Cunningham	Kleppe	Wilson, Charles H.
Dawson	Kuykendall	
de la Garza	Lipscomb	Wolff
Delaney	Lloyd	

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. O'Neill of Massachusetts for, with Mr. Berry against.

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

Mr. Hamilton for, with Mr. Railsback against.

Mr. Garmatz for, with Mr. Lipscomb against.

Mr. Harsha for, with Mr. Burton of Utah against.

Mr. Kuykendall for, with Mr. Camp against.

Mr. Halpern for, with Mr. Cunningham against.

Until further notice:

Mr. Fraser with Mr. Broomfield.
Mr. Scheuer with Mrs. Dwyer.
Mr. Biaggi with Mr. Betts.
Mr. Henderson with Mr. Watson.
Mr. Aspinall with Mr. Frelinghuysen.
Mr. Ronan with Mr. Mize.
Mr. Patten with Mr. Pollock.
Mr. Carey with Mr. Cahill.
Mr. Teague of Texas with Mr. Kleppe.
Mr. Charles H. Wilson with Mr. Lloyd.
Mr. Wolff with Mr. Esch.
Mr. Kirwan with Mr. Dawson.
Mr. Morgan with Mr. Cabell.
Mr. Boggs with Mr. Preyer of North Carolina.
Mr. Brown of California with Mr. Abbitt.
Mr. Karth with Mr. Anderson of Tennessee.
Mr. Tunney with Mr. Pryor of Arkansas.
Mr. Price of Illinois with Mr. Fisher.
Mr. William D. Ford with Mr. Powell.
Mr. Gallagher with Mr. Hanna.
Mr. Chappell with Mr. de la Garza.

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

Messrs. MONAGAN and LANGEN changed their votes from "nay" to "yea."

The result of the vote was announced as above recorded.

The doors were opened.

The title was amended so as to read: "A bill to provide for the renewal and extension of title V of the Public Works and Economic Development Act of 1965 and the Appalachian Regional Development Act of 1965."

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. JONES of Alabama. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed.

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

There was no objection.

APPALACHIAN AND REGIONAL ACTION PLANNING COMMISSIONS

Mr. JONES of Alabama. Mr. Speaker, I ask unanimous consent for the immediate consideration of a similar Senate bill (S. 1072) to authorize funds to carry out the purposes of the Appalachian Regional Development Act of 1965, as amended, and titles I, II, IV, and V of the Public Works and Economic Development Act of 1965, as amended.

The Clerk read the title of the Senate bill.

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

There was no objection.

The Clerk read the Senate bill, as follows:

S. 1072

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—APPALACHIAN REGIONAL DEVELOPMENT ACT OF 1969

SEC. 101. This title may be cited as the "Appalachian Regional Development Act Amendments of 1969".

SEC. 102. Subsection (b) of section 105 of the Appalachian Regional Development Act of 1965 (hereinafter referred to as "the Act") is amended to read as follows:

"(b) To carry out this section there is hereby authorized to be appropriated to the Commission, to be available until expended, not to exceed $1,900,000 for the two-fiscal-year period ending June 30, 1971. Not to exceed $475,000 of such authorization shall be available for the expenses of the Federal cochairman, his alternate, and his staff."

SEC. 103. Subsection (g) of section 201 of the Act as amended is amended to read as follows:

"(g)(1) To carry out this section there is hereby authorized to be appropriated to the President, to be available until expended, $175,000,000 for the fiscal year ending June 30, 1970; $175,000,000 for the fiscal year end-

ing June 30, 1971; $175,000,000 for the fiscal year ending June 30, 1972; and $170,000,000 for the fiscal year ending June 30, 1973. Notwithstanding the provisions of subsection (c), not to exceed $150,000,000 of such funds may be used for engineering work and advance right-of-way acquisition on sections of the development highway system whose actual construction is not expected to be accomplished under the authorization herein.

"(2) Funds authorized in this section shall be available for obligation on the first day of the fiscal year for which authorized, and shall remain available until expended. Funds appropriated under this section shall be available for payment of such obligations."

SEC. 104. (a) The first sentence of subsection (a) of section 202 of the Act is amended to read as follows: "(a) In order to demonstrate the value of adequate health facilities and services to the economic development of the region, the Secretary of Health, Education, and Welfare is authorized to make grants for the planning, construction, equipment, and operation of multicounty demonstration health, nutrition, and child care projects, including hospitals, regional health diagnostic and treatment centers and other facilities and services necessary for the purposes of this section."

(b) The second sentence of subsection (c) of such section is amended by striking out "50 per centum" and inserting in lieu thereof "75 per centum".

(c) Subsection (e) of such section is amended to read as follows:

"(e) In order to provide for the further development of the Appalachian region's human resources, grants under this section shall give special emphasis to:

"(1) Project components demonstrating the value of coordinated investments in early childhood health, nutrition, and education in the region. From funds appropriated pursuant to this Act and under such conditions as the Commission may establish, the Secretary of the Treasury is authorized to pay to a State which has a plan approved under part A of title IV of the Social Security Act (in addition to amounts prescribed to be paid to such State under section 403(a)(3)(A) of the Social Security Act) not more than 60 per centum of the non-Federal share (as determined under section 403(a)(3)(A) of the Social Security Act of expenditures for the furnishing of the services described in clauses (14) and (15) of section 402(a) of the Social Security Act which the Commission determines will assist in carrying out the demonstration projects authorized by this section and with respect to which the Secretary of Health, Education, and Welfare, pursuant to section 1115 of the Social Security Act, has waived compliance with section 402(a)(1) of the Social Security Act; and

"(2) Programs and research for the early detection, diagnosis, and treatment of occupational diseases arising from coal mining, such as black lung."

SEC. 105. (a) Clause (2) of section 205(a) of this Act is amended by striking out the phrase "in accordance with the" and inserting in lieu thereof "or to make grants to the States for carrying out such projects, in accordance with the applicable".

(b) Subsection (b) of such section is amended by striking out "and 1969" and inserting in lieu thereof "1969, 1970, and 1971".

SEC. 106. Subsection (e) of section 207 of the Act is amended to read as follows:

"(e) The Secretary is further authorized to provide, or contract with public or private organizations to provide, information, advice, and technical assistance with respect to the construction, rehabilitation, and operation by nonprofit organizations of housing for low or moderate income families in such areas of the region."

SEC. 107. Part A of title II of the Act is amended by inserting at the end thereof a new section as follows:

"COMPREHENSIVE MANPOWER DEVELOPMENT DEMONSTRATION PROJECTS

"SEC. 208. In order to facilitate the effective use of the region's manpower and to contribute to full employment of its labor force, the Secretary of Labor is authorized to make grants not to exceed 80 per centum of the costs of manpower survey, recruitment, basic education, training, counseling, and mobility demonstration projects, including projects for training, rehabilitation, and retraining of coal miners. Grants shall be made in accordance with the applicable provisions of the Manpower Development and Training Act (42 U.S.C. 2571 et seq.) and other laws authorizing grants for manpower development projects without regard to any provision therein relating to appropriation authorization ceilings or to allotments among the States. Grants under this section shall be made solely out of funds specifically appropriated for the purpose of carrying out this Act and shall not be taken into account in the computation of the allotments among the States pursuant to any other provision of law."

SEC. 108. Subsection (c) of section 214 of the Act is amended as follows:

(a) By striking "December 31, 1967" from the first sentence and inserting in lieu thereof "December 31, 1970";

(b) By adding at the end "For the purpose of this section, any sewage treatment works constructed pursuant to section 8(c) of the Federal Water Pollution Control Act without Federal grant-in-aid assistance under such section shall be regarded as if constructed with such assistance."

SEC. 109. Part B of title II of the Act is amended by inserting at the end thereof the following new section:

"CULTURAL PROGRAMS

"SEC. 215. (a) In order to encourage the development of the cultural resources of the region, the Chairman of the National Endowment for the Arts and the Chairman of the National Endowment for the Humanities are authorized to make grants to assist the member States of the Commission (1) in supporting existing programs and projects (including productions) in the region which meet the standards enumerated in sections 5 and 7 of the National Foundation on the Arts and Humanities Act of 1965 (79 Stat. 846; 20 U.S.C. 954); and (2) in developing programs and projects in the arts and humanities in such a manner as will serve all the people of the region. Such grants shall be made in accordance with the applicable provisions of sections 5 and 7 of that Act, for programs and projects which are compatible with State plans approved pursuant to subsection (h) thereof, without regard to any provisions therein relating to appropriation authorization ceilings or to allotments among the States. Grants under this section shall be made solely out of funds specifically appropriated for the purpose of carrying out this Act, and shall not be taken into account in the computation of the allotments among the States made pursuant to any other provision of law.

"(b) No grant shall be made to a State for a workshop production (other than a workshop conducted by a school, college, or university) for which a direct or indirect admission charge is asked if the proceeds, after deducting reasonable costs, are used for purposes other than assisting the grantee to develop high standards of artistic excellence or encourage greater appreciation of the arts and humanities by the people of the region.

SEC. 110. Section 302(a)(1)(B) of the Act is amended by inserting before "a local" the following: "a State agency certified as".

SEC. 111. Section 401 of the Act is amended by striking out the period at the end thereof and inserting in lieu thereof a comma and the following: "and not to exceed $294,000,000 for the two fiscal-year period ending June 30, 1971, to carry out this Act as follows:

"Section 202. Demonstration Health Projects	$95,000,000
"Section 203. Land Stabilization, Conservation, and Erosion Control	15,000,000
"Section 205. Mining Area Restoration	15,000,000
"Section 207. Housing Assistance	3,000,000
"Section 208. Manpower Development	10,000,000
"Section 211. Vocational Education	50,000,000
"Section 214. Supplemental Grants	90,000,000
"Section 215. Cultural Programs	1,000,000
"Section 302. Administrative Expenses of Local Development Districts and Research	15,000,000"

SEC. 112. Section 405 of the Act is amended by inserting after "Act" the following: ", excepting section 201,".

TITLE II—AMENDMENTS TO TITLE V OF THE PUBLIC WORKS AND ECONOMIC DEVELOPMENT ACT OF 1965

SEC. 201. This title may be cited as the "Regional Action Planning Commission Amendments of 1969".

SEC. 202. Section 501 of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3181) is amended by redesignating section 501 as section 501(a) and adding the following new subsection (b):

"(b) Upon resolution of the Committee on Public Works of the Senate or the House of Representatives, the Secretary is directed to study the advisability of altering the geographical area of any region designated under this section, in order to further the purpose of this Act."

SEC. 203. (a) Subsection (a) of section 505 of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3185(a)) is amended to read as follows:

"REGIONAL ECONOMIC PLANNING, DEMONSTRATION, AND TRAINING PROGRAMS

"SEC. 505. (a) From the amounts appropriated to the Secretary for each of the regional commissions pursuant to the provisions of section 511 of this title, the Secretary shall provide funds to each commission to enable it to carry out its functions under this Act and to develop recommendations and programs. Such funds shall be available for studies and plans evaluating the needs of, and developing potentialities for, economic growth of such region, and research on improving the conservation and utilization of the human and natural resources of the region, and planning, investigations, studies, demonstration projects and training programs which will further the purposes of this Act. Such activities may be carried out by the commission, through the payment of funds to departments or agencies of the Federal Government, or through the employment of private individuals, partnerships, firms, corporations or suitable institutions, under contracts entered into for such purposes, or through grants-in-aid to agencies of State or local government. With respect to demonstration projects and training programs, to the maximum extent possible, such activities shall be carried out through departments or agencies of the Federal Government or agencies of State or local government."

(b) The second sentence of subsection (b) of section 505 of such Act is amended to read as follows: "Thereafter, such expenses shall be paid 50 per centum by the Federal Government and 50 per centum by the States in the region, except that the expenses of the

Federal Co-Chairman, his alternate, and his staff, shall be paid solely by the Federal Government. The share to be paid by each State shall be determined by the Commission. The Federal Co-Chairman shall not participate or vote in such determination.".

(c) Subsection (c) of section 505 of such Act is repealed.

SEC. 204. Section 506 of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3186) is amended by designating it as section 506(a) and by adding the following new subsection (b):

"(b) The Federal Co-Chairman shall establish and at all times maintain his headquarters office in the District of Columbia. He may establish a field office or field offices at such other places within the region as the Commission and the Secretary deem essential to carrying out the functions of the Federal Co-Chairman under this Act."

SEC. 205. (a) Subsection (a) of section 509 of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3188a) is amended to read as follows:

"SUPPLEMENTAL TO FEDERAL GRANT-IN-AID PROGRAMS

"SEC. 509. (a) (1) In order to enable the States and other entities within economic development regions established under this Act to take maximum advantage of Federal grant-in-aid programs (as hereinafter defined) for which they are eligible but for which, because of their economic situation, they cannot supply the required matching share or for which they are insufficient funds available under the Acts authorizing such programs to meet pressing needs of the region, the Secretary shall, once a comprehensive long-range economic plan established pursuant to clause (2) of section 503(a) is in effect, provide funds to each of the Federal Cochairmen of the regional commissions heretofore or hereafter established under this title, to be used for all or any portion of the basic Federal contribution to projects under such programs authorized by the applicable Federal grant-in-aid law, or for the purpose of increasing the Federal contribution (subject to the limitations of subsection (b) of this section) to projects under such programs above the fixed maximum portion of the cost of such projects otherwise authorized by the applicable law. No program or project authorized under this section shall be implemented until (1) applications and plans relating to the program or project have been determined by the responsible Federal official to be compatible with the provisions and objectives of Federal laws which he administers that are not inconsistent with this Act, and (2) the Regional Commission involved has approved such program or project and has determined that it meets the applicable criteria under section 504 and will contribute to the development of the region, which determination shall be controlling.

"(2) In the case of any program or project for which all or any portion of the basic Federal contribution to the project under a Federal grant-in-aid program is proposed to be made under this section, no such Federal contribution shall be made until the responsible Federal official administering the Federal grant-in-aid Act authorizing such contribution certifies that such program or project meets the applicable requirements of such Federal grant-in-aid Act and could be approved for Federal contribution under such Act if funds were available under such Act for such program or project. Funds may be provided for programs and projects in a State under this subsection only if the Commission determines that the level of Federal and State financial assistance for the same type of programs or projects in that State will not be diminished in order to substitute funds authorized by this subsection. Funds provided pursuant to this Act shall be available without regard to any limitations on authorizations for appropriation in any other Act."

(b) Subsection (c) of such section is amended by striking out in the first sentence thereof "December 31, 1967" and inserting in lieu thereof "December 31, 1970".

(c) Subsection (d) of such section is repealed, and subsection (e) thereof is renumbered (d) accordingly.

SEC. 206. Title V of the Public Works and Economic Development Act of 1965 is amended by redesignating section 510 as 513, and inserting immediately after section 509 the following new sections:

"ALASKA

"SEC. 510. Funds appropriated under this title shall be available to assist programs and projects in Alaska in the manner provided for programs and projects in economic development regions established under this title. For the purposes of this title, the Federal Field Committee for Development Planning in Alaska, or any organization hereafter established by the President as a successor thereto, shall be treated as if established as a regional commission, except that the administrative expense of such Committee or successor organization shall be paid solely by the Federal Government. Nothing contained in this section shall be construed as precluding the establishment of a regional commission for Alaska. At such time as Alaska is designated as a regional commission under this title, it shall be eligible for funds under the provisions of section 512 of this Act.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 511. To carry out this title, there are hereby authorized to be appropriated for the two-fiscal-year period ending June 30, 1971, to be available until expended, to the Secretary, not to exceed $50,000,000 for the Ozarks Regional Commission; $75,000,000 for the New England Regional Commission; $45,000,000 for the Upper Great Lakes Regional Commission; $45,000,000 for the Four Corners Regional Commission; $60,000,000 for the Coastal Plains Regional Commission; and $10,000,000 for the Federal Field Committee for Alaska.

"REGIONAL DEVELOPMENTAL TRANSPORTATION SYSTEMS

"SEC. 512. (a) The Secretary of Transportation (hereafter in this section referred to as 'the Secretary') is authorized to assist in the planning and development of regional transportation systems including the construction of development highways, and local access roads, airports, and urban mass transit facilities serving economic development regions established under this title which will further the purposes of this Act. Provisions of Federal law relating to highway and airport construction and mass transportation programs shall apply to such regional development transportation systems to the extent the Secretary determines that such provisions are not inconsistent with this Act. No part of the funds provided to carry out the purposes of this section shall be used for the costs of operation or maintenance of any regional transportation system including development highways, local access roads, airports, railroad commuter service, and other mass transit facilities, except for demonstration projects.

"(b) The Commissions shall transmit to the Secretary designations of (1) the general corridor location and termini of the development highways; (2) local access roads to be constructed; (3) airports to be constructed; and (4) railroad and mass transportation programs to be funded, and shall establish priorities for the development of such transportation systems and other criteria for the program authorized by this section. Before any State member participates in or votes on any highway designations, he shall have obtained the recommendations of the State highway department of the State which he represents.

"(c) No project authorized under this section shall be implemented until (1) applications and plans relating to the project have been determined by the Secretary to be compatible with the provisions and objectives of the applicable Federal law, that are not inconsistent with this Act; and (2) the regional commission involved has approved such project and has determined that it will contribute to the development of the region, which determination shall be controlling.

"(d) On its completion, each development highway not already on the Federal-aid primary system shall be added to such system and each development highway and local access road shall be required to be maintained by the State as provided for Federal-aid highways in title 23, United States Code. Any airports constructed under this section shall be maintained in accordance with the provisions of section 11 of the Federal Airport Act, as amended (49 U.S.C. 1110(2)).

"(e) Federal assistance to any construction project under this section shall not exceed 50 per centum of the cost of such project, unless the Commission determines that assistance in excess of such percentage is required in furtherance of the purposes of this Act, but in no event shall such Federal assistance exceed 70 per centum of such costs.

"(f) Not more than $20,000,000 from the funds authorized to be appropriated to the Secretary for each Commission under section 511 of this Act may be used by such Commission for the purposes of this section."

TITLE III—AMENDMENTS TO THE PUBLIC WORKS AND ECONOMIC DEVELOPMENT ACT OF 1965

SEC. 301. Title I of the Public Works and Economic Development Act of 1965, as amended, is further amended as follows:

(a) The first sentence of section 101(c) of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3131(c)) is amended by inserting before the period at the end thereof a comma and the following: "except that in the case of a grant to an Indian tribe, the Secretary may reduce the non-Federal share below such per centum or may waive the non-Federal share".

(b) Section 105 is amended by striking "June 30, 1969" and inserting in lieu thereof "June 30, 1970".

SEC. 302. Section 301 of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3151) is amended by adding at the end thereof the following new subsection:

"(f) The Secretary is authorized to make grants, enter into contracts or otherwise provide funds for any demonstration project which he determines is designed to foster regional productivity and growth, prevent out-migration, and otherwise carry out the purposes of this Act."

SEC. 303. Section 302 of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3152) is amended by striking out "1970." and inserting in lieu thereof "1969, and $50,000,000 for the fiscal year ending June 30, 1970."

SEC. 304. (a) Subsection (a) of section 401 of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3161) is amended by striking out the period at the end of such subsection and inserting in lieu thereof a semicolon and the following:

"(6) those areas selected for assistance under part D of title I of the Economic Opportunity Act of 1964."

(b) Subsection (b)(3) of such section 401 is amended by inserting after "(a)(3)" the following: "or (a)(6)".

(c) Subsection (b)(4) of such section 401 is amended by striking out "and (a)(4)" and inserting in lieu thereof the following: "(a)(4) and (a)(6)".

AMENDMENT OFFERED BY MR. JONES OF ALABAMA

Mr. JONES of Alabama. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JONES of Alabama: Strike out all after the enacting clause of S. 1072 and insert in lieu thereof the provisions of H.R. 4018, as passed, as follows:

"TITLE I—AMENDMENTS TO THE PUBLIC WORKS AND ECONOMIC DEVELOPMENT ACT OF 1965

"SEC. 101. This title may be cited as the 'Regional Action Planning Commission Amendments of 1969'.

"SEC. 102. (a) The second sentence of subsection (a) of section 505 of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3185) is amended by striking out the period at the end thereof and inserting in lieu thereof a comma and the following: 'and planning, investigations, studies, demonstration projects, and training programs which will further the purposes of this Act.'

"(b) The second sentence of subsection (b) of section 505 of such Act is amended to read as follows: 'Thereafter, such expenses shall be paid 50 per centum by the Federal Government and 50 per centum by the States in the region, except that the administrative expenses of the Federal cochairman, his alternate, and his staff shall be paid solely by the Federal Government. The share to be paid by each State shall be determined by the Commission. The Federal cochairman shall not participate or vote in such determination.'

"(c) Subsection (c) of section 505 of such Act is repealed.

"SEC. 103. (a) The first sentence of subsection (a) of setcion 509 of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3188a) is amended (1) by inserting after 'share,' the following: 'or for which there are insufficient funds available under the Federal grant-in-aid Act authorizing such programs to meet pressing needs of the region,', and (2) by striking out 'for the sole' and inserting in lieu thereof the following: 'for all or any portion of the basic Federal contribution to projects under such Federal grant-in-aid programs authorized by Federal grant-in-aid Acts, and for the'.

"(b) The next to the last sentence of subsection (a) of section 509 of such Act is amended to read as follows: 'In the case, of any program or project for which all or any portion of the basic Federal contribution to the project under a Federal grant-in-aid program is proposed to be made under this subsection, no such Federal contribution shall be made until the responsible Federal official administering the Federal grant-in-aid Act authorizing such contribution certifies that such program or project meets all of the requirements of such Federal grant-in-aid Act and would be approved for Federal contribution under such Act if funds were available under such Act for such program or project. Funds may be provided for programs and projects in a State under this subsection only if the Commission determines that the level of Federal and State financial assistance under titles of this Act other than this title, and under Acts other than this Act, for the same type of programs or projects in that portion of the State within the region will not be diminished in order to substitute funds authorized by this subsection.'

"(c) Subsection (c) of section 509 of such Act is amended by striking out in the first sentence thereof 'December 31, 1967' and inserting in lieu thereof 'December 31, 1970.'

"(d) Subsection (d) of section 509 of such Act is amended to read as follows:

"'(d) There is authorized to be appropriated to the Secretary to carry out this title, for the two-fiscal-year period ending June 30, 1971, to be available until expended, not to exceed $225,000,000. Not less than 10 per centum nor more than 30 per centum of the amounts appropriated under this authorization for any fiscal year shall be made available for any one regional commission.'

"SEC. 104. Title V of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3181 et seq.) is amended by adding at the end thereof the following new section:

"'COORDINATION

"'SEC. 511. The Secretary shall coordinate his activities in making grants and loans under titles I and II of this Act with those of each of the Federal cochairmen in making grants under this title, and each Federal cochairman shall coordinate his activities in making grants under this title with those of the Secretary in making grants and loans under titles I and II of this Act.'

"TITLE II—APPALACHIAN REGIONAL DEVELOPMENT ACT AMENDMENTS OF 1969

"SEC. 201. This title may be cited as the 'Appalachian Regional Development Act Amendments of 1969'.

"SEC. 202. Subsection (b) of section 105 of the Appalachian Regional Development Act of 1965 (40 App. U.S.C. 105) is amended to read as follows:

"'(b) To carry out this section there is hereby authorized to be appropriated to the Commission to be available until expended, not to exceed $1,900,000 for the two-fiscal-year period ending June 30, 1971. Not to exceed $475,000 of such authorization shall be available for the expenses of the Federal cochairman, his alternate, and his staff.'

"SEC. 203. (a) The second sentence of section 201(a) of the Appalachian Regional Development Act of 1965 (40 App. U.S.C. 201) is amended to read as follows: 'The provisions of sections 106(a) and 118 of title 23, United States Code, relating to the obligation, period of availability, and expenditure of Federal-aid highway funds shall apply to the development highway system and the local access roads, and all other provisions of such title 23 that are applicable to the construction and maintenance of Federal-aid primary and secondary highways and which the Secretary determines are not inconsistent with this Act shall apply, respectively, to such system and roads.'

"(b) Subsection (g) of section 201 of the Appalachian Regional Development Act of 1965 (40 App. U.S.C. 201) is amended by striking out 'four-fiscal-year period ending June 30, 1971.' and inserting in lieu thereof 'five-fiscal-year period ending June 30, 1972, except that not to exceed $195,000,000 of such amount may be obligated for any one such fiscal year.'

"SEC. 204. (a) The first sentence of clause (2) of subsection (a) of section 205 of the Appalachian Regional Development Act of 1965 (40 App. U.S.C. 205) is amended by striking out 'in accordance with the' and inserting in lieu thereof 'or to make grants to the States for carrying out such projects, in accordance with the applicable'.

"(b) Subsection (b) of such section 205 is amended by striking out 'and 1969' and inserting in lieu thereof '1969, 1970, and 1971'.

"SEC. 205. Subsection (c) of section 214 of the Appalachian Regional Development Act of 1965 (40 App. U.S.C. 214) is amended by striking out 'December 31, 1967' in the first sentence thereof and inserting in lieu thereof 'December 31, 1970'.

"SEC. 206. Section 302(a)(1)(B) of the Appalachian Regional Development Act of 1965 (40 App. U.S.C. 302) is amended by inserting before 'a local' the following: 'a State agency certified as'.

"SEC. 207. Section 401 of the Appalachian Regional Development Act of 1965 (40 App. U.S.C. 401) is amended by striking out the period at the end thereof and inserting in lieu thereof a comma and the following: 'and not to exceed $250,000,000 for the two-fiscal-year period ending June 30, 1971, to carry out this Act, of which amount not to exceed $85,000,000 is authorized for section 202, $15,000,000 for section 203, $15,000,000 for section 205, $2,000,000 for section 207, $50,000,000 for section 211, $75,000,000 for section 214, and $8,000,000 for section 302.'.

"SEC. 208. Section 403 of the Appalachian Regional Development Act of 1965 (48 App. U.S.C. 403) is amended by adding at the end thereof the following:

"'The President is authorized and directed to make a study of the extent to which portions of upper New York State, Massachusetts, Vermont, New Hampshire, and Maine which are geographically part of the Appalachian region and share the social and economic characteristics thereof should be included in the region in order to carry out the purposes of this Act. He shall submit the results of such study together with his recommendations to Congress no later than June 30, 1970.'

"SEC. 209. Section 405 of the Appalachian Regional Development Act of 1965 (40 App. U.S.C. 405) is amended by inserting immediately after 'Act' the following: ', other than section 201,'."

"Amend the title so as to read 'An act to provide for the renewal and extension of title V of the Public Works and Economic Development Act of 1965 and the Appalachian Regional Development Act of 1965.'"

The amendment was agreed to.

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

The title was amended so as to read: "A bill to provide for the renewal and extension of title V of the Public Works and Economic Development Act of 1965 and the Appalachian Regional Development Act of 1965."

A motion to reconsider was laid on the table.

A similar House bill (H.R. 4018) was laid on the table.

APPOINTMENT OF CONFEREES ON S. 1072, APPALACHIAN AND REGIONAL ACTION PLANNING COMMISSIONS

Mr. JONES of Alabama. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 1072) to authorize funds to carry out the purposes of the Appalachian Regional Development Act of 1965, as amended, and titles I, III, IV, and V of the Public Works and Economic Development Act of 1965, as amended, with a House amendment thereto, insist upon the House amendment, and request a conference with the Senate thereon.

The SPEAKER. Is there objection to the request of the gentleman from Alabama? The Chair hears none, and appoints the following conferees: Messrs. JONES of Alabama, BLATNIK, WRIGHT, EDMONDSON, CRAMER, HARSHA, and CLEVELAND.

APPOINTMENT OF CONFEREES ON H.R. 6508, CALIFORNIA DISASTER RELIEF ACT OF 1969

Mr. JONES of Alabama. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 6508) to provide assistance to the State of California for the reconstruction of areas damaged by recent storms, floods, and high waters, with a Senate amendment thereto, disagree to the Senate amendment, and request a conference with the Senate thereon.

The SPEAKER. Is there objection to the request of the gentleman from Alabama? The Chair hears none, and ap-

points the following conferees: Messrs. JOHNSON of California, WRIGHT, EDMONDSON, CRAMER, DON H. CLAUSEN, and DENNEY.

ADAIR CALLS FOR POSITIVE RESPONSE FROM HANOI

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

Mr. ADAIR. Mr. Speaker, I rise today as one who wants to see President Nixon succeed in his valiant effort to bring the Vietnam war to an honorable conclusion, so that we may have a lasting peace in Southeast Asia.

Prior to the inauguration of President Nixon on January 20, our Government had taken the initiative in the pursuit of peace by halting the bombing of North Vietnam. Also, it agreed to sit down at the conference table with the NLF, as well as the governments of Hanoi and Saigon.

Under President Nixon, we have remained at the table and refrained from resumption of the bombing, although Hanoi has shelled major cities in South Vietnam, violated the demilitarized zone, and refused to deal with the Saigon government.

President Thieu has cooperated with us in the search for peace. On March 25 he made a significant offer to meet with the NLF for private talks without preconditions on a political settlement.

On May 14, with Thieu's support, President Nixon issued an eight-point plan for peace. It renounced reliance on a military solution, offered to withdraw U.S. and allied forces within 12 months under international guarantees, and emphasized our desire to secure the right of the South Vietnam people to determine their future without outside interference.

On June 8, the President announced plans for the withdrawal of 25,000 U.S. combat troops, and indicated that further withdrawals would be announced later.

At Midway, both Presidents declared their readiness to accept any political outcome arrived at through free elections.

And in recent days, President Thieu has offered a concrete program by which free elections can be held and the will of the South Vietnamese people can be determined. He has walked the last mile.

As President Nixon said in his statement praising President Thieu's proposals:

> If the other side genuinely wants peace, it now has a comprehensive set of offers which permit a fair and reasonable settlement. If it approaches us in this spirit, it will find us reasonable. Hanoi has nothing to gain by waiting.

These steps toward peace have been taken by President Nixon in the short period of less than 6 months since he was inaugurated. We should applaud his positive efforts, which deserve an affirmative response from the other side. However, instead of meeting our offers with counter offers and beginning serious negotiations, the Communists have responded negatively or not at all.

Despite the lack of response by the other side, some Americans have responded to each initiative of our President with a call for more and more concessions to Hanoi. Why not support the President's peace initiative by calling upon the other side for reciprocal action? Why pressure our own people for more and more concessions? We know that propaganda is at least half the battle in a war such as that in Southeast Asia. We know that our every quote may be used or misused by the Communists to demonstrate to those they seek to dominate that they—the Communists—will prevail.

I believe that all of us want this war to end—honorably. We want it to end on a basis that will not encourage future Vietnams in Southeast Asia or elsewhere. I am sure that it will end on that basis if all of us will—as I said in a speech to this House on June 5—"demonstrate a national unity, so that Hanoi will negotiate seriously in Paris, instead of prolonging the war and the killing in the hope that its propaganda battle in the front lines of America will bring them the victory they could not win against American and South Vietnamese boys in Vietnam."

My colleagues, it is time for Hanoi to respond—positively—to our proposals. If it will so respond, this war can be brought to a close on honorable terms. Each of us who cherishes that goal should support our President and call upon Hanoi and the Vietcong to demonstrate their desire for peace. Such national unity, I am convinced, will bring this war to a speedy and honorable conclusion.

(Mr. DORN asked and was given permission to revise and extend his remarks at this point in the RECORD, and include extraneous matter.)

Mr. DORN. Mr. Speaker, I rise to join my distinguished and able colleague, the gentleman from Indiana, in pointing out that Hanoi is responsible for the continuation of the Vietnam war. They could end it in 1 hour by agreeing to a cease-fire. This they have not done.

Mr. Speaker, may I repeat by way of emphasis the points mentioned by my colleague, the gentleman from Indiana. Here is the record of efforts to end the war with no response whatever from Hanoi.

First. Prior to January 20, we halted the bombing of North Vietnam and agreed to sit down at the conference table with the NLF, as well as the governments of Hanoi and Saigon.

Second. We remained at the table and refrained from resumption of the bombing despite Hanoi's shelling of South Vietnamese major cities, its violation of the Demilitarized Zone and its refusal to deal with the Saigon government.

Third. On March 25, Thieu offered to meet with the NLF for private talks without preconditions on a political settlement.

Fourth. On May 14, with Thieu's support, the President put forward an eight-point plan for peace. It included the renouncement of reliance on a military solution, the offer of withdrawal of U.S. and allied forces within 12 months under international guarantees, and emphasis on our desire only to secure the right of the people of South Vietnam to determine their own future without outside interference.

Fifth. On June 8, the President announced the withdrawal of 25,000 U.S. combat troops.

Sixth. At Midway, both Thieu and the President declared their readiness to accept any political outcome arrived at through free elections.

Seventh. Thieu has now offered a concrete program by which free elections can be held and the will of the South Vietnamese people can be determined.

ATTACK ON THE CRIME PROBLEM IN THE DISTRICT OF COLUMBIA

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

Mr. NELSEN. Mr. Speaker, I am pleased to join with our distinguished minority leader, and Mr. MCCLORY, together with all the minority members of our House District of Columbia Committee, in introducing today three bills which have been sent to the Congress by the Justice Department representing part of President Nixon's program for a broad attack on the crime problem in the District of Columbia. We have not yet had the opportunity to carefully study these proposals in detail, but since they would make significant changes in the law enforcement and court procedures in the District of Columbia, they are being introduced at this point so that they may be referred to committee and subjected to study and hearings at the earliest possible date.

The first of these bills would provide for a reorganization of the courts of the District of Columbia. The second would establish a public defender service for the District of Columbia and the third would amend the District of Columbia Bail Agency Act. I include at this point in my remarks summary statements prepared by the Justice Department explaining the provisions of these proposals:

SUMMARY OF PROPOSED DISTRICT OF COLUMBIA COURT REORGANIZATION ACT OF 1969

The proposed District of Columbia Court Reorganization Act of 1969 is a comprehensive bill restructuring the District of Columbia Courts, transferring jurisdiction from the Federal courts in the District to the District of Columbia Courts, revising the District's code of criminal procedure, and making conforming changes throughout the District of Columbia Code. It consists of six titles, described in detail below.

TITLE I

The first title of the bill is comprised of a revision and reenactment of title 11 of the D.C. Code and certain transitional sections relating to the personnel and property of the present D.C. courts.

Section 101, the revision of title 11 of the D.C. Code, would substantially reorganize the court systems in the District of Columbia. It is designed to establish, in gradual stages, federal and local court systems which would be analogous to the systems existing in the States. Thus, the federal courts would ultimately have only federal jurisdiction, with all local jurisdiction vested in the District of Columbia courts. However, the U.S. Attorney and U.S. Marshal would continue to serve both federal and local courts.

The present Court of General Sessions, Juvenile Court and D.C. Tax Court would be consolidated and upgraded into a single Superior Court of expanded jurisdiction which would be the trial court for the District. The present Court of Appeals would continue to hear appeals from the local trial court and would become the highest appellate court for local matters in the District, equivalent to the highest court of a State.

Chapter 1 describes the federal and local

courts in the District and equates the D.C. Court of Appeals with the highest court of a State.

Chapter 3 preserves the jurisdiction of the U.S. Court of Appeals for the District of Columbia Circuit over appeals from the D.C. Court of Appeals which are pending or may still be filed on the effective date of the Act or which involve federal misdemeanors tried in the D.C. court. It provides for the continued publication of the U.S. App. D.C. reports for so long as the court retains substantial local appellate jurisdiction.

Chapter 5 preserves the federal jurisdiction of the District Court. It gradually diminishes local civil jurisdiction, some being transferred to the Superior Court on the effective date of the Act, and the remainder in two subsequent stages. Local criminal jurisdiction is also transferred gradually, in two stages.

Provisions relating to employees of the District Court, except the auditor, have been omitted since they are covered by provisions applicable generally to federal courts.

Chapter 7 provides a nine-member D.C. Court of Appeals and continues the provisions for three-judge divisions and in banc hearings. The Court would hear all appeals from the Superior Court, appeals from administrative decisions as provided in the 1968 D.C. Administrative Procedure Act and all appeals from orders and decisions of the D.C. Public Service Commission. The Court would be authorized to hear interlocutory appeals from the Superior Court including orders to suppress evidence. Appeals would also be permitted from rulings on controlling issues of law, made during trial, in both civil and criminal cases.

Judges of the Court of Appeals could be assigned to Superior Court and Superior Court judges could be assigned to the Court of Appeals when necessary. The Chief Judge would be authorized to designate the judge who would act in his stead. Judicial salaries would be equated with level III of the Federal Executive scale—$2500 below judges of federal appellate courts.

The Court of Appeals could make its own rules of procedure, and would approve the general civil and criminal rules of the trial court.

Chapter 9 consolidates the District of Columbia Court of General Sessions, Juvenile Court and Tax Court into a single Superior Court. The Court would consist initially of 37 judges—an increase of 10 over the total number of judges of the three courts. The number of judges would subsequently be increased in stages to a total number tentatively proposed as fifty judges. The Superior Court would ultimately be divided into four divisions—civil, criminal, family and probate. Judicial salaries would be equated with level IV of the Federal Executive scale—equal to the U.S. Attorney and $2000 below federal trial judges.

The Chief Judge would be empowered to rotate judges among the divisions and would be authorized to designate the judge who acts in his stead.

The civil jurisdiction of the court would be increased on the effective date (six months after enactment) to cover all personal injury actions of a purely local nature and all other local civil and equity cases where the amount in controversy is $50,000 or less. Other transfers on the effective date include D.C. land condemnation, real property actions, quo warranto actions against D.C. officials and corporations, habeas corpus against all but federal officials, and commensurate equity jurisdiction. Additional jurisdiction would be transferred in two further stages. The second stage (eighteen months after the first, *i.e.* two years after enactment) includes probate jurisdiction, hospitalization of the mentally ill, and various actions relating to the property and estates of individuals. The third stage (two and one-half years after the first, *i.e.* three years after enactment) would vest all other non-federal jurisdiction.

Criminal jurisdiction would be transferred in two stages. The first stage (six months after enactment) includes all D.C. felonies except certain enumerated crimes punishable by 15 years or more imprisonment. The second stage (two years after enactment) includes all remaining D.C. felonies. The federal court would retain jurisdiction to try any D.C. felonies joined in the same indictment with federal felonies. The Superior Court would continue to hold preliminary hearings in federal criminal cases until the second stage of the jurisdictional transfer. When all local jurisdiction is transferred to Superior Court, all federal jurisdiction would revert to the District Court.

Chapter 11 delineates the jurisdiction of the new Family Division. It would retain all the jurisdiction now vested in the Juvenile Court and the Domestic Relations Division of General Sessions. In addition it would have jurisdiction of civil proceedings involving intra-family offenses pursuant to a new chapter to be added to title 16, and of mental commitments (when jurisdiction over those proceedings is transferred to Superior Court).

The Division could be divided into separate branches or could sit as a unified "Family Court". The decision as to which is preferable would be left to the Superior Court.

This chapter contains certain basic provisions on juvenile procedure including new criteria for waiver of a juvenile for criminal trial. It provides that once a waiver decision has been made, the Family Division would lose jurisdiction over the particular child and any delinquent act he has committed or may commit would be tried in adult court. It utilizes terminology which will be defined and used throughout a proposed revision of chapter 23 of title 16, which will be submitted later.

New and detailed provisions for record confidentiality and the vacating of adjudications and sealing of records are included. Specific provisions on confidentiality of law enforcement records relating to juveniles have also been included.

Chapter 13 retains, with necessary modification, the existing provisions relating to the Small Claims and Conciliation Branch.

Chapter 15 contains the provisions for appointment, tenure and removal of judges and some amendments to the judicial retirement provisions.

Judges of the District of Columbia courts would be appointed by the President, by and with the advice and consent of the Senate, to serve during good behavior, subject to mandatory retirement at the age of 70 and to the removal provisions of chapter 15. Upon completion of the terms of the present incumbents, the Chief Judges of the two courts would be designated by the President to serve for four year terms.

Judges of the courts would be subject to removal, involuntary retirement, or suspension upon action of a seven member District of Columbia Commission on Judicial Disabilities and Tenure. The Commission, to be appointed by the President, would consist of two local federal judges, two members of the private bar, and three residents, at least two of whom would not be members of the bar. No officer or employee of the District of Columbia government, Member or employee of Congress, or officer or employee of any of the twelve Executive Departments of the federal government would be eligible to serve on the Commission.

Removal of a judge would be automatic upon final conviction of a felony. Removal, after hearing by the Commission, could be ordered upon a determination of wilful misconduct in office, wilful and persistent failure to perform judicial duties, or other conduct prejudicial to the administration of justice or bringing the judicial office into disrepute. Involuntary retirement, after hearing, could be ordered for permanent mental or physical disability. Suspension would be automatic pending finality of a felony conviction or order of removal or retirement. Discretionary suspension, with pay, would be permitted during pendency of a hearing. Removal or retirement could be appealed to a special three-judge court consisting of local federal judges designated by the Chief Justice of the United States.

The revision of the retirement law involves a basic change in form and several changes in substance. For example, it would permit a widow under the survivor annuity plan. It would permit a college student to qualify as a dependent child. It would permit a judge to count other federal service in his retirement computation.

Chapter 17 is an entirely new chapter relating to court administration and non-judicial personnel. It would establish a Joint Committee on Judicial Administration composed of two appellate and three trial judges which would have supervision of matters relating to the court system as a whole. The Chief Judges would retain supervisory authority in their respective courts.

There would be a single Executive Officer of the court system with responsibility for facilities, procurement, management of court operations and personnel. He would be appointed by the Joint Committee from nominees proposed by the Administrative Office of the U.S. Courts. The Executive Officer would also administer each of the courts, subject to the respective Chief Judges.

The Clerks of the Courts, the new Director of Social Services, and the new Fiscal Officer would be appointed by the Executive Officer with the approval of the Joint Committee. Except for the Register of Wills, all other non-judicial personnel would be appointed by the Executive Officer in accordance with general rules approved by the Joint Committee.

The Director of Social Services would absorb the probation offices of the Juvenile and General Sessions Courts and would be authorized to perform additional services at the direction of the Superior Court.

The Fiscal Officer would handle budget and accounting for the court system. The budget would become independent of the D.C. budget in the same manner that the budget of the Federal judiciary is independent of the executive budget.

Chapter 19 would retain the present single jury system in the District. Statutory changes reflect the new federal law and new selection practices in the District.

Chapter 21 would continue the office of Register of Wills. He would serve the District Court with respect to its jurisdiction. When the Superior Court assumes probate jurisdiction, he would serve that court and be appointed by it. His duties would remain the same as they are under existing law.

Chapter 23 would substitute a Medical Examiner for the old coroner system. The provisions are patterned after the Maryland and Virginia laws and specify purely medical functions in lieu of the quasi-judicial functions of the coroner.

Section 102 of the bill provides for the transfer of property, records and funds to the new Superior Court. Section 103 provides for the transfer of personnel, retaining the classified civil service status of the Juvenile Court personnel who have acquired that status prior to enactment of the bill. Section 104 grants the incumbent D.C. Tax Court judge the right to retain his present retirement benefits or to elect to come under the general retirement system for Superior Court judges.

TITLE II

The second title of the bill consists of amendments to the remaining titles of Part II of the District of Columbia Code—*i.e.* titles 12 through 17. These titles relate to judicial procedure and most of the amendments made by the bill are purely technical. Since

these titles of the D.C. Code are positive law, references to the "Board of Commissioners" have been changed to "Commissioner" to reflect the reorganization plan. Some changes in substantive law have also been made and are discussed below where appropriate.

For ease in reference, the title and chapter of the D.C. Code which would be amended, rather than the section number of the bill, are highlighted below.

Title 12 amendments are purely technical.

Title 13 would be amended by repealing the requirement that the Federal Rules apply to D.C. Courts (chapter 1). The local courts would be free to adopt either the Federal Rules or their own rules of procedure. The provisions on jury trial (chapter 7) would be repealed as inconsistent with the new federal law and unnecessary in light of proposed chapter 19 of title 11 relating to juries. Other amendments are technical.

Title 14 would be amended by authorizing the Superior Court to take depositions for use in the various States. Presently only the federal court does this. Section 14–104 would be amended to give the local court more flexibility in ordering depositions for its own use.

Section 14–305 would be amended to reverse existing law by guaranteeing that prior convictions reflecting on either honesty or veracity will be admissible to impeach witnesses without ad hoc judicial determination in each case, (see *Luck* v. *United States*, 348 F. 2d 763 (CADC (1965)) but limiting the impeachment to convictions reflecting on honesty or veracity.

The physician-patient privilege (sec. 14–307) would be amended by permitting psychiatric testimony in criminal cases regardless of who raises the insanity defense, and by expressly permitting such testimony in juvenile cases.

The remaining amendments are technical.

Title 15 amendments are purely technical except the express ban on payment of travel allowances to local witnesses (sec. 15–714).

Chapters 3, 5, 6, 15, 19, 25, 27, 29, 31, 33, 37, and 39 of Title 16 would be amended in technical respects only.

Chapter 7 of title 16 would be amended to reflect the felony jurisdiction of the new Superior Court. Provisions on indictment and waiver of jury trial parallel the Federal Rules of Criminal Procedure. The right to jury trial as now stated in the D.C. Code would be preserved. However, since the penalty limit on contempt punishment by the D.C. Courts is eliminated in proposed title 11, a specific guarantee of jury trial for contempt punishable by more than six months imprisonment has been included. The U.S. Marshal would be authorized to execute arrest process for misdemeanors as well as felonies.

Chapter 9 of title 16 would be amended to permit the court to appoint independent counsel for a child in custody proceedings. This has been done by judicial decision in Wisconsin and has been recommended here by the D.C. Committee on the Administration of Justice.

A new chapter 10 would be added to title 16 to provide non-criminal disposition of intra-family offenses. The U.S. Attorney would be authorized to refer such matters to the Family Division. On referral, or on request of an individual, the Corporation Counsel would be authorized to petition the Division for a civil protection order—an equitable mandate designed to prevent further offenses and resolve, insofar as possible, family problems relating to the offense. The Division could, ex parte, issue a temporary order pending disposition of the petition. Other family matters before the Division could be consolidated with the petition and other family members brought before the Division.

Chapter 13 of title 16 would be amended in form to differentiate U.S. and D.C. land condemnation but there is no real substantive change other than the jurisdictional transfer, effected in proposed title 11.

Chapter 23 of title 16 amendments are only partially completed. Not even technical changes have been included with respect to subchapter I (juvenile procedures) since a substantial revision of those procedures is underway and will subsequently be recommended to the Congress. The amendments to subchapter II (paternity proceedings) are merely technical. Subchapter III (miscellaneous provisions) would be repealed as unnecessary in light of the consolidation of the Juvenile Court into the Superior Court.

Chapter 25 of title 16 has been rewritten to differentiate federal and local quo warranto proceedings. There is no change in substance beyond the jurisdictional transfer.

No change has been made in other portions of title 16.

Title 17 would be amended to simplify the provisions for appeal to the U.S. Court of Appeals for the District of Columbia Circuit and to bring the provisions on the D.C. Court of Appeals into conformity with the 1968 D.C. Administrative Procedure Act. Other amendments are purely technical.

TITLE III

The third title of the bill consists of amendments to Part III of the District of Columbia Code—Decedents' Estates and Fiduciary Relations. Part III is comprised of three titles of the Code, all of which have been enacted into positive law. The amendments to these titles are primarily technical, although some substantive changes have been included. References below are to the title and chapter of the D.C. Code which would be amended.

Title 18 amendments reflect the Superior Court's authority to adopt its own rules of procedure and the transfer of probate jurisdiction.

Title 19 amendments are purely technical.

Title 20 amendments are purely technical.

Chapters 1, 3, 7, 9, 13 and 15 of title 21 would be amended in technical respects only.

Chapter 5 of title 21 (hospitalization of the mentally ill) amendments would provide for the transfer of the Mental Health Commission to the Superior Court at the second stage of jurisdictional transfer. Section 21–512 would be amended to provide for the retention in the hospital of a voluntary patient who requests release, if a proceeding for involuntary commitment is initiated within 48 hours of the request. Section 21–521 would be amended to permit a physician who is not the "family physician" to initiate emergency hospitalization.

Section 21–541 would provide that commitment petitions be filed in the court and referred by the court to the Mental Health Commission. The court would be authorized to issue an attachment for the person subject to the petition if he is not already in custody for examination. Section 21–542 would be amended to establish a seven day limit on examination and hearing of a person in custody.

The sequence of the sections relating to release of committed persons has been changed. Former section 21–548 becomes section 21–546, without change in substance. Former section 21–546 becomes section 21–547. The only change in substance is the deletion of special hearing procedures if one of the doctors examining the patient dissents from the conclusion he should not be released. Section 21–548 is essentially new and provides for motion for release to the committing court after the "administrative remedies" within the hospital have failed to secure release. Habeas corpus would be barred unless other administrative and judicial remedies are inadequate.

The thrust of these amendments is to make the statutory procedure, rather than habeas corpus, the standard avenue for seeking release. Release is seen as the culmination of a single proceeding, which begins with the petition for commitment, and all of which takes place in the same court. Since the release procedures are intended to be as broad as habeas corpus, habeas would be eliminated as a practical matter and the possibility of one trial court upsetting the decision of another would be eliminated for practical purposes. This has not been a problem under present law only because the committing and habeas corpus courts were always the same.

A new section 21–592 has been added providing for the return of escaped patients. The remaining amendments are purely technical.

Chapter 11 of title 21 would be amended in technical respects. The use of the term "mentally retarded" is substituted throughout for the somewhat archaic "feebleminded." Section 21–1114 provides that if a child before the Family Division (juvenile court) is alleged to be retarded, the proceedings shall be adjourned for civil commitment. Consistent with chapter 11 of title 11, waiver proceedings in criminal cases would be excepted from this adjournment requirement. Other amendments to chapter 11 are purely technical.

TITLE IV

The fourth title of the bill amends the criminal law provisions of the District of Columbia code, particularly criminal procedure, to take into account the court reorganization. Some new provisions were required to replace the Federal Rules of Criminal Procedure presently governing local felony cases tried in the U.S. District Court and old provisions were revised to bring them up to date. Since this resulted in changes throughout the present title 23 of the Code, the title as a whole would be enacted into positive law.

Section 401 of the bill makes three changes in substantive criminal law.

Item (1) clarifies D.C. Code § 22–104, a 1901 provision for added punishment of persons who repeat the same offense. It defines "same offense" to include any previous crime, wherever committed, which could be prosecuted as the same offense in the District. It ends the "multiplication table" effect of present law (multiplying the maximum penalty one and one-half times each time a person commits the same offense), by making a third or subsequent conviction punishable by three times the maximum for a first offense.

Item (2) is new. It provides for lifetime supervision of repeating felony offenders. The sanction would apply only to persons who have engaged in a third separate course of felonious conduct, undeterred by two terms of probation or imprisonment, and only in the discretion of the sentencing judge.

Item (3) is new. It makes a conspiracy to commit a non-federal offense in the District an offense under the D.C. Code, and not merely a violation of 18 U.S.C. 371. This provision is necessary to permit prosecution of such conspiracies in the Superior Court. It is modeled on the New York provision, rather than federal law, because of the necessity of greater specificity in a statute applicable to a geographically limited area.

Section 402 is the codification of title 23 of the D.C. Code "Criminal Procedure". Most of the present uncodified title is merely repeated without substantial change, and many of the amendments would merely apply provisions of the Federal Rules to cases in the Superior Court.

In Chapter 1, the following provisions would alter prior statutory law:

Section 23–101(d) and (e) provides for joining offenses prosecuted by the United States and the District of Columbia in a single indictment or information, or for trial.

Section 23–103, modeled on Federal Rule 32(a)(1), provides that both defendant and prosecutor shall be allowed to address the court on sentence before it is imposed.

Section 23–104 clarifies the present statute on appeals by the Government. Subsection

(a) is prior law except for a provision, taken from Federal Rule 41(e), requiring motions to suppress evidence to be made before trial. Subsection (b) implements this requirement by allowing interlocutory Government appeal from the suppression of evidence during trial. Subsection (c) clarifies prior law on the Government's right to appeal from orders dismissing criminal charges. Subsection (d) allows the Government to appeal any other ruling made during a trial which involves a substantial and recurring question of law. The trial court may allow an interlocutory appeal, or the appeal may be taken after trial. This provision also seeks to clarify and to mandate the intent of Congress in present law, D.C. Code § 23–105, to allow Government appeals after acquittal of the defendant.

Section 23–105 adds provisions from the Federal Rules to present §§ 23–107 and 108 on challenges to jurors. It expressly provides for equal numbers of challenges for prosecution and defense, a principle implied in present law.

Section 23–106 substitutes Federal Rule 17(b) for present D.C. Code § 23–109, on defense witnesses, a change only in language.

Section 23–107 clarifies present D.C. Code § 23–110 on procedures for obtaining the testimony of jointly charged defendants either for each other or for the Government.

Section 23–108 changes present D.C. Code §§ 23–111 and 112 on depositions of defense witnesses by allowing the prosecutor to object to a deposition and by eliminating an archaic preference for depositions on written interrogatories.

Section 23–110 is new. Rather than relying on the inherent power of the Superior Court to review convictions, it applies statutory procedures for post-conviction challenges. It follows 28 U.S.C. 2255 with only the necessary technical changes.

Section 23–111 which is new, establishes uniform procedures for determining whether a person convicted of crime is subject to an increased penalty because of his prior convictions (*e.g.*, sections 401 (1) and (2), discussed above; D.C. Code §§ 22–3202, 3214, 33–423). The procedure is similar to that for repeated felony offenders in New York, with a hearing before the court, without jury, on any issue raised by the defendant's written response to an information filed by the prosecutor after conviction and before sentence. Like the New York statute, it specifies that a defendant who does not challenge a prior conviction as invalid before increased penalty is imposed in reliance on that conviction, waives the right to challenge it later. The prosecutor is also given a limited right to appeal from a determination which bars increased punishment, before sentence is imposed.

Chapter 3 makes no significant changes in prior law. All provisions are either present statutes or taken from the Federal Rules, with some minor clarifying changes of language.

Chapter 5 is almost entirely new, but much of it is based on present law.

Subchapter I sets forth definitions.

Subchapter II amends the present D.C. Code provisions on search warrants, §§ 23–301 through 305. Those provisions are excessively detailed in some respects and insufficiently comprehensive in others. Notable features of the new provisions are:

1. Sections 23–521(f) (5) and (6), and 23–522(c), and 524(a)(1), which provide for authorization, in a search warrant, for entry into premises to be searched without notice ("no knock"), and for nighttime searches, on a showing to the issuing magistrate that such authority is needed;

2. Section 23–524(a)(2) and (3), which allows entry without notice either when entry is freely granted or when circumstances unknown when the warrant was obtained render such entry necessary to protect persons or to avoid destruction of the property sought;

3. Section 23–524(e) specifically authorizing an officer to seize items not named in the warrant but found during the search and subject to seizure, without the needless formality of getting a new warrant;

4. Section 23–524(g) authorizing officers searching houses or vehicles to search persons therein to the extent necessary to protect themselves or to find the property identified in the warrant. This provision is a corollary of the power to search incident to an arrest, and does not limit that power where the persons are also subject to arrest.

Subchapter II generally, but particularly in § 23–525, provides for searching officers to retain seized property in safekeeping rather than take it to court, a requirement of present law which is seldom followed.

Subchapter III would afford, for District of Columbia Code offenses, the wiretapping and electronic eavesdropping powers granted to state authorities under the Omnibus Crime Control and Safe Streets Act of 1968, 18 U.S.C. 2510–2520. The language is taken substantially verbatim from that Act, so that D.C. procedures would conform to the Federal as closely as possible, for both maximum authority and maximum safeguards against unwarranted electronic surveillance.

Subchapter IV codifies the law of arrest warrants, previously governed either by the Federal Rules or by dispersed sections of the D.C. Code.

Sections 23–561 and 23–562 essentially follow Federal Rules 4 and 5 on the form, issuance, contents and execution of arrest warrants and on the use of summonses in lieu of warrants. There are some minor changes reflecting specific practices in the District, for example, the requirement in section 23–561(d) that the prosecutor approve the application for a warrant, except for good cause shown.

Section 23–562(c)(2) is new. It requires that police procedures be performed before bringing an accused to court. This provision, dealing with routine procedures, does not affect the special provisions on interrogation in D.C. Code § 4–140a or 18 U.S.C. 3501, although, like those provisions, it also relates to police functions which do not constitute "unnecessary delay" in the initial appearance of the accused.

Section 23–563 establishes territorial limits for executing a warrant or summons issued by the Superior Court: anywhere in the United States in felony cases (unchanged from the federal-court standard now applicable), and anywhere within 25 miles in misdemeanor cases. It also places a one-year limit on the validity of misdemeanor warrants, and continues the use of federal interdistrict removal, rather than interstate extradition, for persons arrested outside the District of Columbia for crimes committed here. Subsection (d), which is new, provides for the issuance of "adult" warrants for juvenile offenders who flee from the District.

Subchapter V deals with arrests without warrants. Section 23–581 provides for arrest without warrant by a law enforcement officer. Basically it codifies prior law, but it also includes the power of the officer to arrest for misdemeanors committed in his presence, and additional power of fresh pursuit beyond the District for misdemeanors. Section 23–582 provides for arrest without warrant by a licensed special policeman and specific provisions on citizen arrest.

Chapter 7 reorganizes the provisions on extradition and fugitives. Certain substantive changes have been made as noted below.

Sections 23–701 and 23–702(a) reenact D.C. Code § 23–403, relating to warrants for and arrests of fugitives, without substantial change. Section 23–702(b) amends D.C. Code §§ 23–404 and 23–405, relating to bail for fugitives, by including a cross-reference to the Bail Reform Act and by adding a rebuttable presumption that a fugitive, once arrested, will flee again. Subsections (c) through (e) reenact the proceedings now set forth in D.C. Code §§ 23–406 through 23–408. Subsections (f) and (g), which are new, codify existing practice with respect to fugitives who waive extradition and add new filing procedures for extradition papers.

Section 23–703 is also new. It establishes a separate criminal penalty of up to five years' imprisonment and a $5000 fine for fugitives who "jump bond".

Section 23–704 amends present D.C. Code §§ 23–401 and 402. The principal changes are transfer of extradition authority from the Chief Judge of the United States District Court to the Chief Judge of the Superior Court, a provision for an expedited direct appeal of the Chief Judge's order of extradition in place of the present collateral proceeding by writ of habeas corpus, and an express prohibition on the release of an extradited person except on order of court of the State seeking his extradition.

Sections 23–705 and 706 are changed in technical respects only from D.C. Code §§ 23–410 and 411.

Chapter 9, "Fresh Pursuit," is changed from former chapter 5 only in allowing arrests on fresh pursuit into the District for offenses other than felonies, and in technical respects.

Chapter 11, "Professional Bondsmen," is the same as former chapter 6 with only technical changes.

Chapter 13, "D.C. Bail Agency" incorporates in former chapter 9, the amendments previously submitted to the Congress, adding the necessary technical changes.

Chapter 15, "Out-of-State Witnesses" is the same as former chapter 8 except that witness fees and allowances would be equated to those authorized in Federal Courts throughout the country. Other changes are merely technical.

Chapter 17, "Death Penalty" repeats former chapter 7 with necessary technical changes and the addition of the provision formerly classified as D.C. Code § 23–114.

Subsection (b) of section 402 repeals those provisions superseded by the new title 23.

Section 403 of the bill amends D.C. Code § 24–301 relating to insanity. It provides mental examination prior to hearing for juveniles subject to a waiver motion and commitment of juveniles incapable to participating in waiver proceedings. It adds a new subsection (k) to establish a statutory remedy for persons confined to mental hospitals in criminal cases. The statutory release procedure would substitute for habeas corpus except where the statutory remedy is inadequate or ineffective.

Section 404 amends the penalty provision of the D.C. Narcotic Drug Law, D.C. Code § 33–423. The penalties would remain the same, but the provision would specify that prior conviction under Federal or State law could be counted a "first offense" for purposes of invoking the second offense penalty after conviction in the District.

TITLE V

This title of the bill consists of the miscellaneous conforming amendments to the provisions of law found in titles 1 through 10, 22, and 24 through 49 of the District of Columbia Code.

Sections 501 through 531 reflect the changes in court names, the consolidation of courts and the transfers of jurisdiction.

Sections 532 through 536 reflect the jurisdictional transfer of condemnation proceedings, the revision of chapter 13 of title 16 of the Code, and the conforming changes in jury selection.

Sections 537 through 556 reflect the transfer of administrative review of all orders of the Public Service Commission and bring various provisions relating to administrative agencies into conformity with the 1968 D.C. Administrative Procedure Act. That Act superseded in many respects the provisions amended here but conforming amendments were not made at the time. Changes are also included to provide subpoena enforcement by the Superior Court rather than the federal court.

Sections 557 through 580 contain other conforming amendments such as the deletion or substitution of cross-references to revised title 11 or revisions in titles 12 through 21, and revisions of references to the "coroner" so as to reflect the change to a medical examiner. Certain obsolete provisions, such as references to the old Board of Tax Appeals and its conversion to a Tax Court are repealed.

Of particular note are sections 753 and 574. Present law (D.C. Code § 47–204) requires that the District of Columbia pay 60% of certain expenses of the U.S. District Court. This would be amended to reflect declining percentages as jurisdiction transfers, retaining, however, continuing provision for payment of the local share of jury selection and grand jury expenses. Remaining obligation of the D.C. Government to pay part of the cost of the construction and maintenance of the U.S. Courthouse are cancelled but provision is made for sharing the cost of space used by the United States Attorney and United States Marshal.

TITLE VI

This title contains the effective date provision and separability clause. Section 603 provides for the appointment of three additional judges to the D.C. Court of Appeals and ten additional judges to the Court of General Sessions upon enactment of the bill so that these judges can be serving at the time new jurisdiction is transferred to the local courts. Provision is also made for advance appointment of the Executive Officer of the court system so that he will be in a position to assist in the transition.

EXPLANATION STATEMENT: DISTRICT OF COLUMBIA PUBLIC DEFENDER ACT OF 1969

In his January 31, 1969 message on crime in the District of Columbia, the President called for an expanded office of the public defender to help improve the administration of criminal justice. The President said:

The Legal Aid Agency in the District is a pilot project which has given every indication of great success if properly supported. I believe the time has come to convert this project into a full fledged Public Defender Program. To make this project possible, I will support the Legal Aid Agency's 1970 budget request for $700,000 to allow an increase in its successful project in offender rehabilitation. This would allow it to become a full fledged Public Defender Office with the capacity to represent almost half of the indigent adult and juvenile defendants in the District.

The attached "District of Columbia Public Defender Act of 1969" accomplishes this aspect of the President's program. It expands the Legal Aid Agency and permits it to represent up to 60% of the eligible persons who are before the courts of the District of Columbia. In addition the legislation provides that the public defender shall cooperate in the system for assigning counsel to represent those persons who are not served by the public defender.

SECTION-TO-SECTION ANALYSIS AND COMMENT

Sec. 1—Enactment clauses.

Sec. 2—Name change. The name "District of Columbia Public Defender Service" would be substituted for the present "Legal Aid Agency for the District of Columbia," because the former more clearly describes the functions of the organization.

Sec. 3—Functions. This section defines the jurisdiction of the Public Defender Service and authorizes it to assist the courts in the District of Columbia in coordinating the assignment of cases to members of the private bar. The section also ensures continuation of a "mixed" defender system, by limiting the public defender to representation of a maximum of 60 per cent of the eligible persons.

Subsection (a) specifies that the Public Defender Service may represent persons in five classes of cases, if these persons are "financially unable to obtain adequate representation." This test of eligibility conforms to the one currently required for appointment of counsel under the Criminal Justice Act. The five classes of cases in which the Agency may furnish representation are as follows:

(1) Criminal cases punishable by at least six months imprisonment. Presently the Legal Aid Agency represents persons if the maximum penalty is imprisonment for at least a year. Moving the threshold back to six months would add relatively few cases but would guarantee public defender services on the same basis as they are now available under the Criminal Justice Act. At the same time, the Service would not be charged with the enormous burden of representing persons charged with such minor infractions as disorderly conduct, since these carry less than 6 months maxima.

(2) Cases in which a violation of probation is charged. Since the *Mempa* v. *Rhay* decision extended the right to counsel to probation revocation proceedings, this proposed expansion of jurisdiction merely keeps pace with recent developments in the criminal law.

(3) Cases in which civil commitment is sought pursuant to Title 21 of the D.C. Code. This provision would allow the Service to represent persons subject to commitment on mental health grounds as well as those already committed who seek release.

(4) Cases in which civil commitment of a narcotic addict is sought. Title III of the Narcotic Addict Rehabilitation Act statutorily entitled suspected addicts to the assistance of counsel when civil commitment is sought. Authorizing the Service to provide counsel in such cases would implement the policy of that provision. By the same token, counsel ought to be available to suspected addicts facing civil commitment under the analogous provision of the D.C. Code.

(5) Cases in which juvenile delinquency or "being a juvenile in need of supervision" is alleged. This will allow the Service to represent juveniles charged with law violations as well as those who, though not charged with a criminal act, face the possibility of a penal-type disposition.

The last sentence of subsection (a) defines the Service's role with respect to the private bar: at least 40 per cent of the cases would be handled by the private bar, and the Service would be authorized to provide technical and other assistance (such as investigators) to all appointed private attorneys.

Subsection (b) would establish machinery to coordinate the appointment of private attorneys from the Public Defender Service. This section operates on the premise that the ultimate responsibility for appointment of counsel rests with the courts. At the same time, since the Service is concerned with providing up to 60% of the defense representation, its expertise should be solicited in the design and implementation of the appointment system. The actual plan for appointment of counsel could take a wide variety of forms depending on the availability of resources to administer the system and the desires of the courts and other concerned parties.

Sec. 4—Board of Trustees. The Service would be governed by a seven-member board of trustees, as is the Legal Aid Agency at present. However, the trustees of the Service would elect their successors in lieu of the machinery incorporated in the Legal Aid Agency statute requiring the selection of trustees by the chief judges of the District's several courts and the Commissioner. The system of self-perpetuating trustees is more consistent with the A.B.A. recommendation that public defenders be entirely independent of the judiciary.

Sec. 5—Director and Deputy Director. Two executives would be provided for the Service, in keeping with the present operations of the Legal Aid Agency. The Board of Trustees would select both and each would serve at the pleasure of the board. The trustees would fix the salaries of both executives, up to the GS–18 level. This flexibility will allow the Service to attract and retain the first rate lawyers-administrators who are needed to run an organization which can be expected to employ more than 50 attorneys and additional supporting personnel.

Sec. 6—Staff. This section carries forward the present statutory scheme applicable to the Legal Aid Agency for the employment and compensation of staff. The only significant change is that the Director would be authorized to hire staff personnel without the approval of the Board of Trustees.

Sec. 7—Dual Employment Prohibition. The present prohibition against dual employment is carried forward in this section.

Sec. 8—Annual Reports. The only significant change compared with the Legal Aid Agency Act is that annual reports would be due at the end of the fiscal year instead of at June 1st. The benefit of this change is that statistics and budget figures would reflect the entire fiscal year's work and would conform to statistics prepared by other governmental agencies.

Sec. 9—Appropriations. There are no significant changes from the present provision governing the Legal Aid Agency.

Sec. 10—Continuity of Staff. This section simply provides for the transition from Legal Aid Agency to Public Defender Service.

Sec. 11—Repealer. The provisions of the original Legal Aid Agency Act would be repealed.

DISTRICT OF COLUMBIA BAIL AGENCY ACT AMENDMENTS

The amendments to the District of Columbia Bail Agency Act are designed to expand, improve and increase the responsibilities of the District of Columbia Bail Agency. These amendments are not complex and probably enjoy unanimous endorsement of all concerned parties. Most of them respond to the findings of the District of Columbia Judicial Council Committee on Bail and the requests of the Agency itself.

The proposed legislation does the following:

1. Authorizes the Agency to recommend whether the defendant should be released.*
2. Directs the Agency to:
   a. Supervise all persons on non-surety release
   b. Notify all persons of each required Court appearance
   c. Serve as coordinator of third party custodians
   d. Aid in securing employment and other services for defendants
   e. Inform judicial officers of defendant's failure to comply with conditions
   f. Prepare Rule 46(h) lists.
3. Removes the $130,000 limitation on appropriations and increases the salary levels for Agency employees to levels commensurate with their new duties.

MRS. D. F. BAIN, NASHVILLE, IS PRESIDENT-ELECT OF THE NATIONAL EDUCATION ASSOCIATION

(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, it is with a great deal of pleasure and personal pride that I bring to the attention of my colleagues the news that

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*The Agency previously was limited to recommending non-financial conditions of release.

Mrs. D. F. Bain, of Nashville, Tenn., has just been elected president of the National Education Association.

It has been my privilege to know Helen Bain for a number of years and, without doubt, the delegates to last week's NEA Convention at Philadelphia chose wisely and well when they passed the gavel of leadership and responsibility to this dedicated schoolteacher, civic worker, community leader, wife, and mother.

In seeking this very important post, Mrs. Bain campaigned on a platform which stressed increased political activity by teachers at the State and local level and the need for additional Federal assistance to education.

Mr. Speaker, Mrs. Bain is a woman who considers wisely and then acts. It was my pleasure to watch and assist over recent years as Helen Bain worked to make the long dream of retired teacher apartment complex in Nashville a reality. Beset by a great adversity and at times almost inextricably entangled in bureaucratic redtape she never gave up even when I feared her cause was all but hopeless. Today that apartment complex is completed and occupied. It is a tribute to Mrs. Bain and those who worked so hard with her.

Mrs. Bain has also been long active in Nashville's civic affairs even though her job teaching English at Nashville's Cohn High School and her duties as a mother and wife occupy the majority of her time.

She has been able to undertake and successfuly carryout these demanding tasks because she is an active hard worker. Some wise man once noted that a lazy person has time for nothing but a worker has time for everything. The latter aptly describes Helen Bain.

Mr. Speaker, you will note that earlier I mentioned Mrs. Bain campaigned, in part, on a platform stressing greater political activity on the part of America's teachers. Let this be a warning and a promise to all of my colleagues. Remember the name of Helen Bain. I warn you will hear it often in the coming months. Meanwhile, I promise if you have the good fortune to meet Mrs. Bain, and I hope that each of you will, you will find yourself in the company of one of the loveliest, most charming and ablest of southern ladies.

Mr. Speaker, the Nashville Banner in an editorial entitled "Congratulations, Mrs. Bain," and the Nashville Tennessean in an editorial entitled "Teachers Made a Wise Choice" have commented favorably of Mrs. Bain's election and I insert these two editorials in the RECORD at this point:

CONGRATULATIONS, MRS. BAIN

Nashville notes with interest the honor bestowed on Mrs. Helen Bain in election as president of the National Education Association—her term in that capacity to begin next June.

It is an important assignment, recognizing stature both as a teacher and in professional leadership.

A Nashville native, with degrees from Peabody College and the University of Michigan, her classroom career has centered here where she is an English speech and drama teacher at Cohn High School. Respected by associates locally, her esteem by colleagues nationally speaks for itself.

No phase of the public service is closer to the home constituency, community by community everywhere, than the public school system—the proprietorship of which resides in taxpayer and patron hands; the faculties thereof its servants. When these components work together, in mutual effort and shared responsibility, there is progress. These are cordial ties of a relationship best cultivated by acceptable standards of guidance making for mutual trust.

The Banner congratulates Mrs. Bain on a distinguished achievement. It is an honor to her city, and to the school she has served so long as a faculty member.

TEACHERS MADE A WISE CHOICE

Mrs. Helen Bain, a teacher at Nashville's Cohn High School, has been chosen as president-elect of the National Education Association during the organization's annual convention in Philadelphia.

For the next year, Mrs. Bain will work from a Nashville office, but will travel widely as a representative of the NEA.

When she assumes the NEA presidency next June, she will move temporarily to Washington to act as one of the principal spokesmen for the nation's teachers.

Mrs. Bain has a record of 22 years as a classroom teacher. Although she will take a leave of absence from her English, speech and drama classes at Cohn, Mrs. Bain has made it clear that she will return to teaching when her term is finished.

The NEA made a wise decision in selecting a dedicated teacher, as well as an articulate advocate of quality education, for its highest office. The selection is an honor not only to Mrs. Bain, but also to the school system and community she represents.

VIETNAM AND PEACE

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

Mr. GERALD R. FORD. Mr. Speaker, the United States and South Vietnam have taken initiative after initiative for peace in Vietnam without any matching response from Hanoi. In fact, one of the phenomena of the Vietnam war in recent weeks has been the tendency of some Americans to discount United States and South Vietnamese peace initiatives and to demand additional concessions to North Vietnam and the Liberation Front.

It is time, Mr. Speaker, for Americans to rise in vocal and ardent support of President Nixon's strategy for peace in Vietnam.

It is time, Mr. Speaker, for Members of Congress and all other Americans to ask as with one voice: What is Hanoi doing to bring about peace in Vietnam? Where are Hanoi's initiatives for peace?

President Nixon has worked diligently and carefully toward the goal of peace in Vietnam since assuming office not quite 6 months ago. He has opened the door to a peaceful settlement of the Vietnam war. He has been joined by the Saigon government in stepping through that door. Only Hanoi and the NLF remain outside the door of peace, encouraged—I believe—by those critics in America and elsewhere who support the Communist demand for immediate massive unilateral withdrawal of U.S. forces from South Vietnam.

Let us review what President Nixon has done to advance the cause of peace in Vietnam and then ask ourselves whether these critics are helping to end the war by supporting the enemy's unbending demands.

Prior to January 20, the United States halted the bombing of North Vietnam and agreed to sit down at the conference table with the National Liberation Front as well as the Government of North Vietnam.

We stayed at the peace table and refrained from a resumption of the bombing despite Hanoi's shelling of major South Vietnamese cities and inhumane slaughter of defenseless civilians, its repeated violations of the demilitarized zone, and its refusal to deal with the South Vietnamese Government.

On March 25, President Thieu offered to meet with the NLF for private talks without preconditions on a political settlement.

On May 14, with Thieu's support, President Nixon put forward an eight-point plan for peace in South Vietnam. The President ruled out a military solution, offered withdrawal of U.S. and allied forces within 12 months under international guarantees, and emphasized that our only objective was to secure the right of the South Vietnamese people to determine their own future without outside interference.

On June 8, President Nixon announced the withdrawal of 25,000 U.S. combat troops and said decisions would be made later on additional troop withdrawals.

At Midway, both Thieu and President Nixon declared their willingness to accept any political result arrived at through free elections in South Vietnam.

Thieu has now outlined plans for the holding of free elections under terms which offer the NLF representation on a national election planning committee and places on the ballot. The only condition is that the NLF end its war against the Saigon government and renounce the use of violence.

Mr. Speaker, every American who believes that aggression should not be rewarded and that peaceful solution should be pursued in international disputes should support attempts to arrange for fair and impartial elections in South Vietnam.

I believe President Thieu is to be commended for advancing his elections plan and that the American people should rally behind the strategy for peace being followed by President Nixon.

It is time the American people and free peoples throughout the world demand to know when Hanoi is going to act to further a peaceful settlement in Vietnam.

Both President Nixon and President Thieu have made meaningful moves on behalf of peace in Vietnam. The burden now is on Hanoi, and we should let the world know it.

AMENDING SECTION 235 OF THE NATIONAL HOUSING ACT

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

Mr. ASHLEY. Mr. Speaker, I am introducing today a bill to amend section 235 of the National Housing Act to provide more flexible mortgage limits in order to encourage the development of

homeownership in high-cost areas for lower-income families.

All Federal housing assistance programs impose maximum limits on total dwelling development costs to insure that only modestly priced housing is built under these programs. These maximum limits vary according to program—public housing, 221(d)(3), 236, and 235—and from area to area. Each program recognizes that higher development cost limits must be allowed in high-cost areas where land and labor costs are higher.

Generally speaking, the allowances for high-cost areas provided by statute for public housing and FHA multifamily programs, such as 221(d)(3) and 236, are realistic and adequate. This is not the case for the new 235 homeownership program. As a result there are strong indications that the 235 program will not prove to be economically feasible in many high-cost metropolitan areas—such as New York City, Chicago, or Washington, D.C.—which have some of the most severe housing problems in the Nation.

Secretary Romney of the Department of Housing and Urban Development, in testimony before the House Banking and Currency Committee's Subcommittee on Housing on June 12, 1969, acknowledged that the limitations in section 235 have, in fact, hampered efforts at construction of low-cost housing in high-cost metropolitan areas:

> The statutory mortage limits (expressed in terms of maximum dollars per unit) for the Section 235 homeownership program have made it difficult to achieve new construction in many of the larger metropolitan areas . . . especially in the Northeast. It is entirely possible that the high-cost area adjustments for this program may prove to be inadequate in practice.
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> The Department is concerned that . . . *fixed dollar limits both fail to recognize geographic cost variations and lag behind rising construction* (emphasis added).

The basic statutory development cost limit—technically it is the limit on the amount of the mortage—under the section 235 program is $15,000. The limit can be increased to $17,500 for high-cost areas.

The inadequacy of this statutory scheme to meet the requirements of rapidly escalating construction costs in major high-cost areas is well documented. In Claremont, Calif., where the National Association of Home Builders has been conducting an experimental cost study, the cost of constructing a low-cost, single-family structure has increased 31.5 percent from January 1968 to April 1969. The major items which contributed to the cost increase were lumber, up 200 percent; cement driveway, up 67 percent; roof wood, up 53 percent; doors, up 43 percent; frames and jambs, up 40 percent; and electrical, up 39 percent. In absolute dollar figures the cost of constructing a low-cost, single-family structure rose from $13,586 to $17,859 during this period. Thus a builder would lose $359 if he constructed a section 235 house in Claremont today—assuming that there were no cost increases in the interim.

Nationally, rising costs have caused a sharp decrease in the number of low-cost housing starts in recent years. In 1965, 54 percent of all new starts were for houses costing less than $20,000. By 1968, this figure had dropped to 26 percent and the estimate for 1969 is 27 percent. Further, the decline in housing starts for housing costing less than $15,000 is even more dramatic. In 1965, such housing represented 16 percent of all starts, but the estimate for 1969 is only 5.2 percent.

At the end of 1968, census data revealed that only 11 percent of new houses sold in the West and the Northeast were priced at under $17,500—the cost limit under section 235—and in north-central United States only 8 percent. The problem is particularly acute near the center of major metropolitan areas where high land and labor costs make building under the statutory maximum cost limits in section 235 unfeasible. A FHA survey early this year in the Washington, D.C., area uncovered no new single-family houses on the market with sales prices under $17,500. Thus in the very areas in which this program is most needed, the housing industry is least able to meet the challenge.

The above facts document the need for prompt action to maintain the integrity of the section 235 program in high cost metropolitan areas. The section 221(d)(3) and 236 programs permit development costs of up to 45 percent higher than their basic cost limits in high cost areas. The proposed amendment, which adopts the language of sections 221(d)(3) and 236, would apply the 45-percent formula for high cost areas that is used under these two sections to the 235 program.

Such an amendment to section 235 at this time is crucial, for there is every reason to believe that costs will continue to rise. Lumber products have undergone an unprecedented price rise in the last 2 years, prompting congressional hearings and administrative action. Land and labor costs have been consistently going up and, of course, we are all aware of the unprecedented increases in financing charges.

Recent statistics from the Department of Housing and Urban Development indicate that the statutory maximums have limited activity under the section 235 program in New York and in other comparable high cost areas throughout the United States. William B. Ross, Acting Assistant Secretary-Commissioner, Federal Housing Administration, noted:

> In New York City there has been absolutely no activity under the Section 235 program. . . . Our experience in other major cities is very similar. Assistance has been requested for only 181 units in Chicago; 250 units in Detroit; 73 units in Los Angeles and there have been no requests for assistance in the cities of San Francisco and Boston.
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> When we consider the activity this program has engendered throughout the nation and the backlog of requests for assistance amounting to over 60,000 units which we have not been able to fund, we can better judge the impact of the cost limits in the high cost areas.

Mr. Speaker, this increase in the statutory cost limitations in high cost areas in the section 235 homeownership program has been endorsed by several major groups. These include the National Housing Conference, the National Association of Home Builders, and the Council of Housing Producers. Also before the Banking and Currency Committee's Subcommittee on Housing on June 12, 1969, Mr. Richard M. Wasserman, testifying on behalf of the Urban Coalition Action Council, stated:

> The construction cost limits for both FHA moderate-income and public housing programs should be amended to keep abreast of rising construction costs. . . . For example, the maximum mortgage limit (which is in effect the cost limit) for the 235 program is $17,500, for most units in high-cost areas. Given the rapid inflation in land prices, interest discounts, and construction costs, this limit is already obsolete in high rent building areas throughout the nation. . . .
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> *Because of the continual rise in construction costs, Congress should legislate a statutory construction cost ceiling sufficient to allow wide administrative flexibility under it to cover a variety of cost conditions in different areas of the country. And Congress should provide a regular statutory procedure for updating the construction cost ceiling.* (Emphasis in the original.)

Mr. Speaker, I cannot stress too strongly the importance of enactment of this measure if we are to continue our commitment to building low-cost housing in the high-cost areas. If this amendment is passed, builders concerned about meeting cost limits will be just as likely to build sales units as they would rental units in most of our metropolitan areas. The end result will be to fully effectuate the purpose of the 235 program, which is now in serious trouble in those metropolitan areas of the country.

MEMBERS OF CONGRESS SHOULD MAKE THEIR FEDERAL INCOME TAX RETURNS PUBLIC

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

Mr. WALDIE. Mr. Speaker, I am today introducing legislation requiring candidates for and Members of Congress to file their Federal income tax returns yearly for public examination.

There has been an increasing erosion of public confidence in the ethics of the elected officials of this Nation.

Disclosure of all income sources will do much, in my opinion, to restore that confidence.

I have voluntarily filed my Federal income tax return heretofore with the House Ethics Committee, and it is available for public inspection.

APOLLO 11

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

Mr. KOCH. Mr. Speaker, I read today in the Washington Post for the first time that my name will appear among the names of those imprinted on a silicone disc to be left upon the moon by our Apollo 11 astronauts. As a freshman member of the Science and Astronautics Committee having jurisdiction over the space program, it should be readily apparent that I had nothing to do with the development of Apollo 11 or in any

way contributed to the historic moonshot. While I am deeply honored, had I been asked I would have declined the honor as being undeserved.

The sands of the moon, if sands they be, will ultimately cover that silicon disc. What will be remembered for ages to come are the extraordinary feats of the astronauts who are making this flight and those who preceded them. With all of my fellow citizens I look forward to the launching of Apollo 11 and pray for the safe return of our astronauts.

AMERICANS SHOULD FLY OLD GLORY DURING APOLLO 11 MISSION

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

Mr. CLARK. Mr. Speaker, I have introduced a resolution in the House this week asking the American people to pay tribute to the Apollo 11 mission by displaying the flag of the United States from Wednesday, July 16, 1969, until the close of the day on which the mission returns to earth.

What is occurring is clearly a landmark event in human history. But more than that, it is an unparalleled tribute to the ability of this free society to get things done. Francis Scott Key saw the waving Stars and Stripes through the smoke and flying cannonballs of the War of 1812, and I just think it might be a source of inspiration and pride to our three Astronauts to know, as they hurtle through space and look back through clouds and other flying satellites, that their flag is still there.

If each American would raise his flag in tribute to these courageous men, and then say a quiet prayer for their successful return, then their final splashdown can be a moment of new glory for Old Glory.

CONGRESSMAN ECKHARDT SPEAKS OUT ON TAX REFORM

(Mr. VANIK asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. VANIK. Mr. Speaker, last Friday morning, it was my privilege to appear before the Senate Finance Committee in consideration of H.R. 12290 and related tax reform proposals.

Immediately after my presentation and interrogation by several members of the committee I was followed by the Honorable BOB ECKHARDT, Representative from the Eighth District of Texas, who very carefully outlined the case against the special treatment of oil and gas pipelines which was initiated before the House Ways and Means Committee in the closing hours of its deliberations by the distinguished gentleman from Texas, the Honorable GEORGE BUSH.

Mr. ECKHARDT in his analysis of the evils of this section discussed in careful and documented detail the precise way in which this industry was given special tax treatment to the detriment of the taxpayers of America.

I commend careful reading of this statement before further action is taken on this legislation in conference. The splendid statement by Mr. ECKHARDT is as follows:

STATEMENT BY CONGRESSMAN BOB ECKHARDT

SUMMARY

A. Outline of statement

I. Opposition to the surtax on general grounds:

(a) Review of past opposition: offsetting of the effects of the surtax by rising war expenditures—fear of more of the same

(b) In full agreement with the Senate as to need for tax reform

II. Opposition to the surtax respecting exemption:

(a) Explanation of the loophole in the House-passed bill that allows the gas pipeline industry an unnecessary and unjust exemption from the April 18 deadline for repeal of the 7% investment tax credit

(b) Because the government allows this industry a guaranteed rate of profit, investment tax credit not warranted in the first place

III. Need for responsible, effective alternatives:

(a) Extension of the withholding rates without an extension of the actual tax

(b) Tax reform

(c) Excess profits tax

(d) Taxation of "excess interest"

B. Specific recommendations

I. Continue the higher withholding rates. The economic restraining effects not lessened and the pressure for tax reform continues unabated. Should the economy turn downward, Congress could lower withholding rates to their normal level and permit refunds; otherwise, institute the surtax retroactively.

II. Reinstate an excess profits tax. This would shift the burden from the poor and middle income groups to those benefiting most from the conflict in Southeast Asia.

III. Institute "excess interest" tax analogous to excess profits tax. Revenues generated by this tax could be used to subsidize home mortgages and municipal bond markets.

Mr. Chairman, members of the Committee, I appreciate this opportunity to come before you on perhaps the most pressing and urgent problem facing our Nation today. No one can argue with the fact that we are in the midst of rampant inflation and that we are experiencing some of the tightest money conditions in United States' history. The appropriate question that we should be considering is not whether economic restraint is needed—no responsible legislator or competent economist could doubt that fact—but rather, what form this economic restraint should take.

I voted against the 10% surtax extension, just as I voted against its original adoption last year. I shall state briefly why I oppose this particular form of economic restraint, the defects that appear in the House-passed bill, and my recommendations for responsible and effective alternatives to the surtax.

I

I opposed the imposition of this tax in 1968 because I did not feel that it would succeed in halting inflation. This is not to say that I have no faith in what is popularly referred to as the "new" economics; on the contrary I believe very strongly in the efficacy of fiscal and monetary policy. But these policies can only succeed if they are not subjected to other government operations whose economic effects are in the direct opposite direction. I am referring, of course, to the expansionary and inflationary effects of the continued high spending on the war in Vietnam. This is how I made my case against the surtax last year and I see little reason to expect the situation to be any different this year. If our people are taxed—in the guise of fiscal constraint—when any meaningful disinflationary effects are negated by war expenditures, the effect is only to add the tax burden to the burdens of high interest and high prices.

Also, I wish to add my voice to the many urging that we not continue the surtax without adding meaningful tax reform. The surcharge is a tax on a tax, and, if one manages to avoid paying *any* taxes, he automatically escapes the surcharge. How can we, with a straight face, tell income earners and honest sharers of the tax burden that they must bear the burdens of fiscal restraint when many people with largely exempt incomes, capable of making many extravagant purchases, are not forced to curb their spending or fairly share the burden? I am heartened by the sentiment in the Senate for closing the many nefarious tax loopholes before final approval is given for extension of the surtax.

II

Now, I would like to point out to the members of the Committee a very serious inequity in the House bill that passed on June 30.

As you know, one very important provision of the bill was the repeal of the 7% investment tax credit. Let me first say that I am very much in favor of this action for it has been effectively demonstrated that the investment credit is the primary contributor to the inflationary expansion of investment demand.

The bill sets the repeal date as of April 18, 1969 but quite correctly makes provision for construction begun, and binding contracts in effect, on or before that date. The general rule is that pre-termination property, i.e., property eligible to receive the investment tax credit, includes "any property . . . (that) is constructed, reconstructed, erected, or acquired pursuant to a contract which was, on April 18, 1969, and at all times thereafter, binding on the taxpayer." If such facts do not prevail, action taken after April 18 does not accrue an investment credit.

But among the exceptions is this one:

"Where, in order to perform a binding contract . . . in effect on April 18, 1969, (i) the taxpayer is required to . . . acquire property specified in any order of a federal regulatory agency for which application was filed before April 19, 1969, (ii) the property is to be used to transport one or more products under such contract . . . and (iii) one or more parties to the contract . . . are required to take or to provide more than 50% of the products to be transported over a substantial portion of the expected useful life of the property, then such property shall be pre-termination property."

This is the section (Section 4a) of the bill that I have strong objection to.

The report accompanying H.R. 12290 explains this seemingly harmless exception to the general rule defining pre-termination property.

"An example of the type of case covered by this provision would be a situation where a company has entered into a binding contract to transport fuel through a pipeline for another party who will provide more than 50 percent of the fuel to be transported over a substantial portion of the estimated useful life of the pipeline. The provision would be applicable in this case, however, only if the company had filed prior to April 19, 1969, its application with the Federal regulatory agency for an order permitting it to contruct the pipeline."

In sum, this provision is presented as one justly extending the deadline for those companies entering into contracts for which necessary Federal agency certification is not received by April 18. The major beneficiary of this exemption would be the gas pipeline industry. One of their chief supporters in the House, a Texas colleague, stated: ". . . they should not be denied the benefit of the credit because some Federal agency is sitting aside and refusing to act."

This is a dangerous, unnecessary and in-

equitable provision, and explanation of it on the floor of the House was misleading.

The implication in floor debate was that a contract for purchase of capital goods which is binding as between seller and purchaser contingent only upon FPC approval constituted the exception that would qualify.

Thus, Mr. Bush, with whom the amendment originated in the committee, in answer to my question, said:

"The contract spells out the equipment required and if these people have a bona fide contract, they should not be denied the benefit of the credit."

Mr. Boggs, who carried the bill on the floor, equated the provision to the ordinary contract for purchase of capital goods in the following language:

"The contract has been entered into and qualifies as a binding contract. If you were to build a plant . . . and no equipment has been installed, but they have simply entered into a contract, a binding contract, prior to April 19, that equipment is eligible for the full 7 percent."

I had previously been told by an Under Secretary of the Treasury that such was all that the amendment did. In candor, Mr. Boggs did at another point explain the amendment accurately. I do not attribute to anyone an intention to mislead, but the matter is technical and complex and needs clarification, both as to its provisions and its justification.

In fact, the contracts in question are not contracts to acquire property but are rather contracts *to supply gas*. These contracts are not binding without a certificate of approval from the Federal Power Commission, and it is in these certificates that the only requirement of designation of the capital goods to be acquired is made. In order for a gas pipeline company to obtain approval for an extension of service it must file an application with the Federal Power Commission within which it must include, among other things, an analysis of the equipment needed to fulfill the contract. This includes a detailed estimate of total capital cost of the proposed facilities for which application is made.

But, unlike the case of other pre-termination contracts, the contracts here are *not* binding without the certificate of approval; and hence the companies involved are not likely to be injured by the withdrawal of the investment tax credit. The FPC will allow a gas pipeline company to withdraw its application for an extension of service if the company can show just cause. Just cause might well include a reduction in the profitability of the contract. Presumably a loss of the investment tax credit would indicate lower profits.

This is a means of escape from a contract which would not be as profitable as anticipated. But there is another even surer safeguard against an improvident contract (in anticipation of investment credit) which might actually result in a loss.

As a public utility, the gas pipeline industry has its rates regulated by the government, and these rates are set so as to give the company a reasonable rate of profit on its investment. If the rate of profit is set, the company cannot possibly be stuck with an unprofitable venture. True, it may not generate an investment credit, which is "cream" on top of profit, but it may be presumed that the utility would have expanded its market for the sake of profit alone. It did not act to its detriment envisioning, improvidently, an investment credit.

Obviously there is, and was, plenty of inducement to improve an increase plant for gas pipelines *without* any investment tax credit. Even before the 7% investment tax credit provision was enacted, net gas utility plant for the entire Nation had grown from about $6 billion to about $8 billion from 1957 through 1961. After the enactment of the investment tax credit, through the next six years, net gas utility plant grew at about the same amount, from about $8 billion to about $10 billion. It is apparent from these figures that the investment tax credit was not needed to encourage investment in plant and it apparently did not affect such investment.

Actually, the gas pipeline industry has grown at a rate at least comparable to the other utilities which received only 3% investment tax credit. There is no apparent reason why the pipelines were favored, but in the Revenue Act of 1964 Congress favored them again by eliminating any authority on the part of the Federal Power Commission to use the investment tax credit without the consent of the company involved in determining its cost of service. The tax savings from the investment tax credit could thus be used by the companies for reinvestment or dividends without regard to their rate of return.

From 1962 through 1967 the interstate natural gas pipeline companies generated $296,124,000 in investment tax credits. Of this amount, they utilized and retained $247,106,000. (*Statistics of Interstate Natural Gas Pipeline Companies, 1967*, Federal Power Commission, p. ix.)

Now the gas transmission companies are again asking for special treatment, as if they needed special relief. Are they weak? Are they an industry with a declining growth pattern? Quite on the contrary, the industry has grown by one third in the last five years. In 1962, natural gas utility sales were 100.81 billion therms and in 1967 they were 133.42 billion therms. (See 1968 "Gas Facts" of American Gas Association.)

It is just not possible to put an exact dollar value on this special provision in the surtax and investment credit bill as to how much it benefits gas pipelines. But it clearly would defer the cutoff date for withdrawing the investment tax credit. As I have pointed out, they never needed it or deserved it in the first place; and, at more than twice the figure granted other utilities, it was nothing but a windfall for the stockholders—not the consumers.

The windfall was at an average of about $50 million a year. Typically, in past years, the highest number of rate applications by the gas pipelines have been in the winter months. In the winter of 1967 and 1968 approximately as many permits were filed as during the entire remainder of the year. This was not exactly the situation in the FPC fiscal year 1968–69. In that year over 70% of the applications had been filed by January 1.

I am frank to say, I cannot tell the significance of the timing of the applications other than to say an adroit timing of applications well in advance of actual equipment purchases could keep the 7% investment credit going for a considerable time. If this extended time be 6 months, the special treatment in this law is worth $25 million in investment credits generated to the gas pipelines.

I served for a good number of years in a legislative body which was very sympathetic with gas pipeline companies, and I have had the experience of their long arm reaching right into a conference committee of the Texas Legislature to render a tax unconstitutional. I thought I had escaped this tampering when I came to Congress, but I underestimated their reach.

III

Because I do not believe the surtax to be a fair way to halt inflation, or even a feasible way if present spending patterns continue, and also because the bill contains several questionable clauses, I voted against it in the House on June 30. But it would be quite irresponsible to oppose the surtax and leave it at that. As I said at the opening of this statement, we are facing an inflationary spiral affecting prices, wages, and interest rates. Some viable alternative to the 10% surcharge must be suggested.

The Senate and House have voted to continue the withholding rates, as if the surtax were still in effect, as a temporary fiscal measure. This in itself is a logical and practical alternative to the President's fiscal package. It would preserve and continue the economic restraining effects of the surcharge while allowing time for further consideration of its need.

We should simply continue such withholding while we hammer out tax reform.

The benefits of following this course are several:

1. We would be able to avoid legislating on such an important matter under the pressure of a deadline.

2. Many economists are convinced that we will be in the throes of a dangerous economic slowdown in the first quarter of 1970. If the Congress took no action other than to extend the withholding rate, the economy would be rejuvenated by a great influx of spending money to the public at the time of its greatest need, i.e., at tax refund time. If inflation is controlled or reversed, Congress would simply pass legislation lowering the withholding rate to its normal level.

3. The Congress, without engaging in a blind guess, would then be able to decide if the surtax was or was not needed. Congress is pretty good at "hindsight," and it could apply it then. If the inflation continued unabated the surtax could be enacted retroactively while none of the necessary economic effects would be lost in the interim. Retroactivity would not hurt the normal taxpayer because he would have paid his taxes by the previous withholding.

4. Tax reform minded Representatives would have the leverage that they have so long sought in this area. We would be able to put the heat on the President to push for tax reforms without risking the dangers of too early relaxation of fiscal restraint.

5. Also, Congress would retain a real budget control. We could be satisfied that the cuts that are made by the administration forces are not made in the programs most vital to cities and to the poor. Likewise, that some reductions are made in areas of extravagance like some military boondoggles. With the surtax question impending *after* the budget cuts, Congress would have potent bargaining strength.

As another alternative, either independent of or in combination with the extension of the withholding rates, I would propose the institution of an excess profits tax. This worked successfully during the second World War and during the Korean War. It is unfair for most to suffer increased war-time burdens while others enjoy increased war-time profits. I fully concur with the efforts of Senator McGovern in this area.

One of the more serious manifestations of the inflation we are experiencing are the extremely high interest rates. I fully comprehend the meaning of the market and how unwise it is to tamper with the market mechanism. There can be no doubt that the high money rates are a manifestation of market pressures and cannot be condemned sweepingly as an explicit effort by the banking industry to raise its profits. I would not support legislating a ceiling on interest rates—I feel that that would only serve to disrupt what is an orderly, but very tight market.

What I would propose is that the Congress pass a tax on excess interest rates, as on excess profits. Such would drain off the excess income engendered by the tight money market, just as excess profits from the inflationary war stimulus is drained off by an excess profits tax.

I am not criticizing the banks for the recent increases in the prime interest rates. They are simply reacting to the huge loan pressure and the constricted supply of

money. I am willing to accept the fact that the huge growth in bank earnings—largely due to the higher rates charged on loans—is incidental. But, just as I feel that it is unfair for corporations to earn extraordinary profits from the war, I feel that it is unfair for the banks to retain a fortuitous, incidental benefit from inflation. Unlike other industries, the costs of doing banking business during inflation does not rise as rapidly, or more rapidly, than revenues. As the price they charge for money goes up, so must their profits. Recent bank statements of earnings confirm this. Note the following table showing net operating earnings of seven great New York banks in the second quarter of 1969 as compared to the second quarter of 1968. The increases are largely due to an advance in prime interest rate from 6–6½% in 1968 to 7–7½% in 1969, and, of course, accompanying increases in all interest rates. On June 9, 1969, the prime rate has further increased to 8½% which will undoubtedly be reflected in even greater earnings in the third quarter.

Bank	Net earnings		Percent increase in earnings
	1968 (6–6½ percent)[1]	1969 (7–7½ percent)[1]	
Manufacturers Hanover Corp.	17.5	21.0	20.3
Charter New York	13.0	14.5	11.6
J. P. Morgan & Co	18.4	20.5	11.4
Chemical New York	32.8	36.5	11.2
Chase Manhattan	58.1	63.8	11.2
First National City	62.4	66.1	5.9
Bankers Trust	27.0	27.5	1.8

[1] Prime interest rate.

Source: New York Times, July 7 and 9, 1969.

If, as the banks say, they must raise their interest rates in order to ration their loanable funds, there would be no hindrance. An additional benefit could be gained by using the revenues generated by this excess interest tax to subsidize home mortgages and interest on municipal and state bonds.

Perhaps an example of how this tax would work would help to clarify my proposal. In order to allow for normal growth in the demand for money and to make sure that this tax would only be effective in times of very high interest rates, let us take as our base the 8% prime interest rate. Then any loan for more than $10,000 at a rate of over 8% would be subject to the tax.

Using this as the base for our interest tax, a possible levy could be 1.0% for every 0.1% increase in the rate of interest over 8%. Thus, a 10,000 loan at the current 8½% prime interest rate would bring in $850.00 per annum in interest which would be taxed $42.50 (5% of $850.00). The bank would earn $807.50, just a little more than it would have earned at the lower 8% rate. The following table demonstrates how this tax would work over a range of interest rates (assuming a loan of $10,000):

Interest rate (percent)	Total interest payment	Rate of tax (percent)	Bank earnings	Tax
8	$800	0	$800.00	0
8½	850	5.0	807.50	$42.50
9	900	10.0	810.00	90.00
9½	950	15.0	807.50	142.50
10	1,000	20.0	800.00	200.00
10½	1,050	25.0	787.50	262.50

As you see, the interest earnings cease to grow after a certain point while government revenues from the tax rise rapidly. There would be no profit incentive for the banks to raise their rates although there would be nothing to prevent them from doing so if the pressures of the market made such raises expedient. Meanwhile, the revenues raised by the tax could be reserved for home mortgage subsidies and interest subsidies for states and municipalities on their bond issues.

We cannot in good conscience abandon the fight against inflation. This does not mean, however, that the Congress must passively accept whatever proposals the administration brings forth in the battle. I strongly believe that a combination of extended withholding rates, an excess profits tax, and an excess interest tax could most effectively curb inflation and high interest rates and, at the same time, pass the burden over from the least able to pay to the most able.

IF HANOI DOES NOT COOPERATE IN THE PEACE NEGOTIATIONS WE SHOULD SERIOUSLY CONSIDER RESUMING THE BOMBING

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

Mr. PUCINSKI. Mr. Speaker, the distinguished minority leader (Mr. GERALD R. FORD), has quite properly given us the record of many efforts being made by President Nixon to bring the war in Vietnam to a quick and honorable end and to bring our boys back. Certainly the President has been most generous in his offers for peace, and so has President Thieu, as well as the people of South Vietnam. I believe the recitation of facts as presented by the distinguished minority leader ought to be presented to this House, but I believe the House ought to also see the answer of the North Vietnamese.

In Paris today Mrs. Binh, the principal spokesman for the Communist negotiators, reached the height of arrogance in rejecting the proposal by President Thieu, when she said:

> Nixon has no other choice. He is choking and has to give way. We are capable of continuing the struggle as long as necessary—5, 10, or 20 years if need be.

Ho Chi Minh not too long ago said that Americans do not like a long war, and he is going to make this a long war, and win it.

So, Mr. Speaker, there is great merit in the proposal being circulated in Saigon today that if indeed the Communists do not start negotiating in good faith pretty soon, we ought to seriously consider terminating those negotiations. We have lost 16,000 American boys since the peace talks began, and if the present casualty rate continues it will not be long before more American boys will be killed on the field of battle since the peace talks began than our total casualties from 1961 until the bombing halt.

I believe there is merit to the proposal being circulated in some military quarters that we could withdraw 200,000 American troops from combat in Vietnam and not have to replace them if indeed we resumed the bombing in North Vietnam.

I believe such a move would placate American discontent with the war and still serve notice on Hanoi that the American withdrawal of troops does not mean a victory for the Communists. It would mean that if the Communists refuse to cooperate in the peace talks, they are in for a long bombing seige from American bombers even after American combat troops have been withdrawn from Vietnam.

May I remind this House that South Vietnam's President Thieu stated recently his South Vietnamese army can continue the battle against the Communists if we leave them our Air Force for support. South Vietnam has an excellent army of 1 million soldiers to protect their homeland. By resuming the bombing, we would force Hanoi to withdraw some 400,000 Communist troops back to North Vietnam. These troops were released for duty in South Vietnam when we ended the bombing.

One has a right to ask: "Why should the Communists negotiate when there is no pressure on them to do so?"

Ho Chi Minh can say he will make this a long war because there is no pressure on him. He has nothing to lose. There is no bombing of North Vietnam. It is our American boys who are being slaughtered. We are the ones who are going to have to send 545,000 replacements to Vietnam this year.

We talk about troop withdrawal and we give a big hoorah about the fact that 25,000 American boys are returned, but we totally obscure the fact that we have sent into battle in South Vietnam this year 545,000 replacements. It is no consolation to the mothers and to the parents and to the boys themselves who are leaving for Vietnam.

So it seems to me the right thing for this administration and this President to do is to serve notice on the Communists that there must be a cease-fire in Vietnam by August 1.

If there is no meaningful cease-fire and if the slaughter does not end by August 1, we should seriously consider resuming the bombing.

President Nixon said in his message that if this needless suffering continues, he will have to reappraise America's position.

I think Mr. Nixon has been most generous in his efforts to find some way of resolving this conflict. Yet, every single one of his efforts has been met with the height of arrogance on the part of the Communists.

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

PITY THE PASSENGER

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

Mr. MONAGAN. Mr. Speaker, the uncertain prospects for the future of Connecticut's rail passenger service have created apprehension among many citizens in the State.

On February 5, 1969, approximately 1 month after the Penn Central Railroad assumed control of the New Haven Railroad's operations, I wrote the vice president in charge of Penn Central's New England operations and requested detailed information about the corporation's plans for future service in the State of Connecticut. A major factor motivating my concern and hence my query was the despair, bitterness, and

anxiety expressed by my constituents regarding the future of passenger rail service in Connecticut. Underlying this mood was the fear that the railroad, in the interest of high profits, would inexorably reduce to the barest minimum its rail passenger obligations. Under the label or guise of "restructuring," it was alleged, the Penn Central would raise fares, cut back passenger runs, and scrimp on maintenance of passenger facilities. In the end, the Penn Central would free itself of the burden of shouldering the New Haven's passenger service.

I am sorry to say that at this point in time, protestations by corporate management to the contrary, the scenario envisioned by the intimidated railroad commuter is being fulfilled. Discontinuances have been carried out for a substantial percentage of the passenger service which formerly operated between Boston and New York. The purported panacea of turbotrain service—put forward as partial justification for the discontinuances—has offered no real improvement in the service into New York City. One turbotrain per day—and especially one that operates with fitful regularity and at unimpressive speeds—is scarcely an adequate vehicle to measure potential consumer demand for modernized rail passenger service in the northeast corridor.

As for rates, the Penn Central has filed fare revision proposals now with the Interstate Commerce Commission, the New York Public Service Commission, and the Connecticut Public Utilities Commission. This package of fare revisions will affect all Connecticut and New York patrons utilizing the facilities of the former New Haven Railroad to reach New York City. Under the railroad's proposal, 30-day commutation tickets would be only slightly reduced, while the price of 10-trip tickets would be nearly doubled and the single round-trip ticket to New York City would be hiked by approximately 10 percent. These proposals come only a short period after the elimination of the popular 2-day return trip ticket between Connecticut stations and New York City.

The Trumbull Times of Trumbull, Conn., notes that these most recent fare revision proposals offer an insignificant sop to the "well-organized and highly vocal" daily railroad commuter group. However, this very marginal reduction in the 30-day commutation fares is to be accompanied or paid for by stiff increases in the fares which the less well organized and, as the Trumbull Times puts it, "hard working, lower income citizens" must pay to use the railroad for anything less than daily commutation trips into New York City.

This aspect of the latest fare revision, so ably presented by the Times editorial, is but another unhappy development in the declining fortunes of rail passenger service under the auspices of the Penn Central Railroad. The article from the Trumbull Times follows:

SOAKING THE POOR

The Penn Central, the richly endowed successor to the much maligned New Haven Railroad, is demonstrating its mastery in the field of public relations. It has proposed to the regulatory commissions a reduction in monthly commutation tickets in exchange for permission to raise the price of single ride fares. This will have the overall effect of increasing railroad revenue by at least three per cent.

By this strategy, Penn Central hopes to eliminate opposition to its proposal from the well organized and highly vocal commuters. The railroad is hoping that the single ride patrons lack the political muscle to make their opposition felt.

Penn Central has fared magnificentally, no pun intended, at the expense of their single fare patrons. One of its first steps on Feb. 1, shortly after taking over the railroad, was the elimination of the two-day excursion ticket that offered a round trip from Bridgeport to New York for $3.51. These gave the occasional rider no alternative but two single fare tickets at $2.96 each, totaling $5.92 or a 69 per cent increase.

Now, less than six months later, the Penn Central is asking for an additional 10 per cent increase so that a round trip ticket to New York would cost $6.50, more than two and a half times the commuter price.

It is essential that the Connecticut Public Utilities Commission and the Interstate Commerce Commission understand exactly what sector of the public is affected by the Penn Central proposal. Visit the railroad station over the weekend and see some of our hard working, lower income citizens paying the increased fares because they still want to visit relatives in the Bronx or Harlem or see some of our financially-pinched college students home for the weekend or see the budget minded father paying the higher tariff because he promised his children an outing in New York.

To add insult to injury, the Penn Central with all its affluence has done absolutely nothing to improve washroom facilities. They have the colossal gall to charge 10 cents just to enter washrooms which are deplorable, unsanitary and unsightly.

It is high time the regulating agencies, with pressure from our elected representatives, took concrete steps to protect the public. For a starter, we suggest they reject this latest Penn Central proposal to "soak the poor" and insist upon real physical improvements before entertaining any new proposals.

LEGISLATION TO IMPROVE QUALITY OF JUSTICE IN LITIGATION OF ANTITRUST CASES

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

Mr. McCULLOCH. Mr. Speaker, I introduced legislation yesterday to improve the quality of justice in litigation of antitrust cases. Joining me in cosponsoring this most important legislation were: the distinguished minority leader, Mr. GERALD R. FORD, the chairman of the House Republican conference, Mr. ANDERSON, 11 of my fellow Republican members of the Judiciary Committee, and two of my Republican colleagues from Ohio.

The legislation would amend the Expediting Act which was passed in 1903. The 66-year-old laws governing the trial and appeal of antitrust cases are no longer suited to modern practice. They must be updated.

Under present law—15 U.S.C., section 29, 32 Stat. 823—every civil antitrust case in which the United States is complainant, whether important or not, may be appealed only to the Supreme Court of the United States. When this act was passed, such direct review was justified. The Sherman Act was new and many fundamental questions regarding its implications needed immediate clarification by the Supreme Court.

The reasons for enacting the Expediting Act of 1903 have long since vanished. At that time, antitrust law was an uncharted sea. The courts of appeals were then newly created and unproven. Since guidelines had to be established, it was reasonable to direct all appeals to the ultimate and proven tribunal, the Supreme Court.

However, 66 years later, the guidelines have been written. The courts of appeals are well recognized as competent tribunals and can provide a thorough review which will focus the issues to be decided by the Supreme Court. Thus, in all but the most important antitrust cases, direct appeal to the Supreme Court is not only unnecessary but burdensome.

Indeed, the Supreme Court has urged modernization of the present law. See, for example, *United States* v. *Singer Mfg. Co.*, 374 U.S. 174, 175, n. 1; *Brown Shoe Co.* v. *United States*, 370 U.S. 294, 355, 363–64 (opinions of Clark and Harlan, J.J.); *United States* v. *duPont & Co.*, 366 U.S. 316, 324; *cf. Kennecott Copper Co.* v. *United States*, 381 U.S. 414 (Harlan and Goldberg, J.J. dissenting); but see *United States* v. *Singer Mfg. Co., supra*, at 197 (opinion of White, J.). Thus, this proposed legislation acknowledges the progress of the last 66 years by now treating civil antitrust cases in which the United States is complainant like other cases.

Of course, there may occur cases of such importance that an expedited appeal to the Supreme Court would be desirable. Hence, the bill allows for such expedition upon certification by the Federal district court who adjudicated the case or by the Attorney General "that immediate consideration of the appeal by the Supreme Court is of great public importance in the administration of justice."

Thus, the bill would unburden the Supreme Court, provide the litigants with a more thorough review of their antitrust cases, and assure the Department of Justice that it could still obtain an expedited decision when necessary.

Moreover, the legislation further eases the burden on the Federal courts by requiring that such antitrust actions be originally heard by a single Federal district judge. Under the present law, 15 U.S.C. sec. 28, 32 Stat. 823, the Attorney General can order that three Federal judges be empaneled to try the case. Resort to a three-judge court may have been advisable when the Expediting Act was enacted because of the novelty and complexity of the legal and economic issues involved in the antitrust laws.

However, such a consideration now is without foundation. Furthermore, with trial backlogs growing longer, the Federal judicial system cannot countenance disrupting already crowded dockets by requiring three judges to hear these cases. Recognizing this fact, the Attorney General has resorted to the three-judge court in antitrust cases only seven times in the last 30 years and only once in the last decade. Thus, there can be no adequate justification for this provision's continued existence in the law.

In addition, this legislation would re-

solve the uncertainty presently existing with respect to the interlocutory appeals in cases involving the Expediting Act. Compare *United States* v. *Ingersoll Rand*, 320 F. 2d, 509 (3rd Cir. 1963), with *United States* v. *F.M.C. Corp.*, 321 F. 2d 534 (9th Cir.), application for temporary injunction denied, 84 S. Ct. 4 (1963) (Goldberg, J., in chambers). Under the bill, interlocutory appeals of orders of district courts granting, modifying, or refusing injunctions in cases involving the Expediting Act would be permitted pursuant to 28 U.S.C. 1292(a)(1), 62 Stat. 929, but not otherwise. In this way, consummation of potentially unlawful mergers under section 7 of the Clayton Act could be forestalled until their legality is finally determined without unnecessary disruption of the orderly procedure of the cases and without prejudice to the final resolution of the litigation.

Mr. Speaker, during the 90th Congress I introduced legislation to modernize our antitrust laws similar to the bill sponsored by the Nixon administration which I introduce today. I am happy to join with the Nixon administration to urge immediate action on this proposal so that this Nation's antitrust laws may better serve the interests of a free and competitive society.

THE NIXON ADMINISTRATION'S INACTION ON INTEREST RATES

The SPEAKER pro tempore (Mr. PUCINSKI). Under previous order of the House, the gentleman from Texas (Mr. PATMAN) is recognized for 60 minutes.

Mr. PATMAN. Mr. Speaker, the Nixon administration is rapidly earning the title of a "do nothing" administration on high interest rates.

Since the election of President Nixon, the commercial banking industry has had a free run at the American public. This industry, which has always had difficulty doing anything for the public, has now been turned loose to gouge the American public and, eventually, to wreck the economy.

Since the election of President Nixon and the announcement of the appointment of bankers at the Treasury Department, the commercial banking industry has gone to the well five times and raised the interest rate charged to its prime customers. Five times since December 1968. In 6 short months, the commercial banks have managed to impose increases amounting to 36 percent in the cost of money.

Mr. Speaker, I place in the RECORD the list of the prime rate increases as they have occurred beginning on December 2, 1968, and continuing until June 9:

December 2, 1968, Chase Manhattan Bank announced that it was raising its prime lending rate from 6¼ percent to 6½ percent. The other major banks followed within hours with identical increases.

December 18, 1968, the First National City Bank of New York City announced that it was raising its prime lending rate from 6½ percent to 6¾ percent. The other major banks immediately followed with identical increases.

January 7, 1969, First National City Bank of New York City announced that it was raising the prime rate from 6¾ percent to 7 percent. The other major banks immediately followed with identical increases.

March 17, 1969, Morgan Guaranty Bank of New York City announced that it was raising its prime lending rate from 7 percent to 7½ percent. The other major banks followed within hours with identical increases.

June 9, 1969, Bankers Trust Co. of New York City announced that it was raising the prime lending rate from 7½ percent to 8½ percent. The other major banks followed within minutes and hours with identical increases.

Mr. Speaker, these are the most flagrant and the largest increases in interest rates which this Nation has every experienced under any administration and under any economic conditions. Mr. Speaker, the commercial banking industry is running wild and it knows that no one in this banker-oriented administration has the courage to stop it.

Secretary of the Treasury, David M. Kennedy, who helped institute prime rate increases while he served as the chief executive officer of the Continental-Illinois National Bank, is sitting on the sidelines giving secret signals to his banker buddies. These signals are well understood in the banking industry—they say, "Go ahead and raise interest rates and we will not do a thing about it." The Secretary manages little taps on the wrist with a velvet hammer and nothing more.

Mr. Speaker, this Secretary of the Treasury is an absurdity. Last week, he called in the big banking chiefs—the big boys of the industry—to discuss prime rates. With great ballyhoo, the Treasury Department spokesmen—who always seem to remain anonymous—talked about this as a move to hold back interest rates.

One of these spokesmen was quoted in the Washington Post in this manner:

> A Treasury Spokesman said the meeting was called in response to several developments, including Chase Manhattan Bank Chairman David Rockefeller's remarks in a Washington Post interview that another increase in the prime lending rate may be put into effect.

Yet, when Secretary Kennedy emerged from his secret session with the bankers, he told a press briefing that he had not even discussed the prime rate. And he was quick and emphatic in his announcement that the meeting had not been for the purpose of rolling back interest rates and he wanted to make it clear that he had not asked his banker buddies for any commitment against further increases in the prime rate.

The big question remains, Why did Secretary Kennedy call the meeting in the first place if he was not going to discuss interest rates? Was it some kind of afternoon social? A bankers tea party at the expense of the Government? Or was it some back-door attempt by Secretary Kennedy to show how much strength he had in the banking community? Was it supposed to be a show of strength so that President Nixon would be frightened away from any move to seek the Secretary's resignation?

These were the 24 largest banks in the Nation with lots of political muscle and billions of dollars in resources behind them. This was the greatest assemblage of economic and political power ever gathered in a room at the Treasury Department.

These bankers represented $148 billion in deposits and $131 billion in bank trust assets. The 24 bankers had almost 36 percent of the total deposits in all 13,000 of the commercial banks in the United States and about half of the trust assets of the industry.

Mr. Speaker, I place in the RECORD a list of the banks that were invited by Secretary Kennedy and their deposits and trust assets:

	Market value of trust assets (1968)	Deposits Dec. 31, 1968
Rudolph A. Peterson, Bank of America NT&SA, San Francisco, Calif	$4,988,265,148	$21,502,892,000
David Rockfeller, Chase Manhattan Bank NA, New York, N.Y	14,579,093,000	16,709,925,657
Walter B. Wriston, First National City Bank, New York, N.Y	11,930,777,493	16,643,247,000
Eugene S. Northrop, Manufacturers-Hanover Trust Co., New York, N.Y	7,959,479,000	9,202,391,539
John Meyer, Morgan Guaranty Trust Co., New York, N.Y	18,575,119,000	8,211,715,952
William S. Renchard, Chemical Bank New York Trust Co., New York, N.Y	5,658,125,000	7,640,535,069
William H. Moore, Bankers Trust Co., New York, N.Y	13,319,707,504	6,827,713,405
Tilden Cummings, Continental Illinois NB&T Co., Chicago, Ill	6,192,052,485	6,301,503,000
Gaylord S. Freeman, Jr., First National Bank Chicago, Ill	6,499,551,217	5,746,162,000
Carl E. Hartnack, Security Pacific National Bank, Los Angeles, Calif	2,718,018,000	5,711,376,229
Richard P. Cooley, Wells Fargo Bank NA, San Francisco, Calif	2,165,627,000	4,734,097,623
George A. Murphy, Irving Trust Co., New York, N.Y	1,976,864,572	4,412,980,656
Emmett G. Solomon, Crocker, Citizens National Bank, San Francisco, Calif	2,210,234,458	4,207,243,461
H. V. Grice, United California Bank, Los Angeles, Calif	2,784,728,000	3,765,607,866
John A. Mayer, Mellon National Bank & Trust Co., Pittsburgh, Pa	8,281,705,778	3,748,752,646
Roger C. Damon, First National Bank, Boston, Mass	[1] 5,323,411,245	3,260,839,600
Harold V. Gleason, Franklin National Bank, Mineola, N.Y	[2] 177,121,000	2,301,163,116
Chief Executive Officer, did not attend, Marine Midland Grace Trust Co., New York, N.Y	1,493,662,406	2,280,847,318
John R. Bunting, First Pennsylvania Banking & Trust Co., Philadelphia, Pa	3,157,213,000	2,173,968,000
George F. Karch, Cleveland Trust Co., Cleveland, Ohio	3,690,492,000	2,129,999,331
Raymond T. Perring, Detroit Bank & Trust Co., Detroit, Mich	1,972,334,206	1,899,344,777
G. Morris Darrance, Philadelphia National Bank, Philadelphia, Pa	703,477,986	1,723,053,059
R. C. MacDonald, Seattle-First National Bank, Seattle, Wash	862,364,676	1,692,349,092
Ellis B. Merry, National Bank of Detroit, Detroit, Mich	[2] 3,427,431,000	3,443,048,504
Roland A. Mewhort, Manufacturers National Bank, Detroit, Mich	[2] 1,282,614,000	1,772,165,266
Total	[3] 131,929,469,174	[4] 148,042,922,166

[1] Includes Old Colony Trust Co.
[2] As of December 1967.
[3] This figure represents approximately ½ of all trust assets in the 13,000 commercial banks in the United States.
[4] This figure represents 36 percent of all bank deposits in the 13,000 commercial banks in the United States.

Mr. Speaker, the Secretary of the Treasury had a great opportunity to speak up and tell these giants of the banking industry that he wanted lower

interest rates. He had an opportunity to ask for a roll back of the prime rate. But he did not—or could not—bring himself to speak up for the public.

Secretary Kennedy once again did exactly what the bankers wanted and once again they are free to gouge the American public. The bankers were well-satisfied with their session.

The American Banker for July 9, 1969, quotes one of the bankers as saying of the meeting with Kennedy:

I told him afterward it was a damn good show.

And another banker is quoted as saying:

We all know Dave and like him and are in entire sympathy with his views.

A cozy buddy-buddy session between the bankers and Secretary Kennedy.

Mr. Speaker, it has been this cozy arrangement—and understanding—that brought us the 8½ percent prime interest rate on June 9. At that time, Secretary Kennedy issued a tepid little statement which was an open invitation to the banks to raise the interest rate.

The Secretary refused to go along with my suggestion that he speak out for the administration against the prime rate increase which was being talked about in the banking community weeks before the actual action on June 9. Mr. Speaker, I place in the RECORD a copy of a telegram which I sent Secretary Kennedy on May 29 and a copy of his letter in reply:

MAY 29, 1969.

Hon. DAVID M. KENNEDY,
Secretary of the Treasury,
U.S. Treasury Department,
Washington, D.C.:

Reports persist that the large commercial banks are planning still another assault on the American people through an increase in the prime lending rate. As you know an increase in the already usurious 7½ per cent prime rate will send a shock wave through the entire economy, raising interest rates on every item.

As Secretary of the Treasury you have the power to stop this latest effort to increase interest rates. I urge you to announce today that you and the Nixon administration are flatly opposed to any increase in the prime rate.

I urge that you demand that the commercial banks refrain from any conspiracy to jack up the rate. Such a statement, coming from the Secretary of the Treasury, would stop the increase.

Another increase in the prime rate will all but halt an already badly depressed housing market and will raise the price of goods to millions of American families. Another increase is totally unnecessary and it is nothing more than an attempt by the banks to gouge the American public during a critical economic period.

The big commercial banks believe that this administration is more concerned about their welfare than the welfare of the American people. They are convinced that they can raise the prime rate without criticism from you or the administration. You now have the power to prove them wrong in this instance by coming down hard in a public statement opposed to a higher prime rate.

Mr. Secretary, I hope you will use the great powers of your high office to protect the American people. I hope sincerely that you will choose the public interest over the bank interest.

WRIGHT PATMAN.

THE SECRETARY OF THE TREASURY,
Washington, D.C., June 2, 1969.

Hon. WRIGHT PATMAN,
Chairman, Committee on Banking and Currency, Washington, D.C.

DEAR MR. CHAIRMAN: I share the concern over the high level of interest rates expressed in your telegram.

At the same time, we must recognize that the principal cause of the current level of interest rates is serious inflation and the expectation of rising prices in the future. Our economic policies, including monetary policy, must be aimed at curbing the pressures that have kept the economy overheated.

While monetary policy has a role to play, it must not be called upon to carry too heavy a share of the burden of fighting inflation. It was for that reason that the Administration proposed reductions in 1970 government expenditures and asked for repeal of the investment credit and for extension of the tax surcharge and certain excises.

I hope and expect that banks will act responsibly within the context of the present situation in the credit markets. As I have said before, I question whether a further increase in the prime rate at this time would in itself effectively restrain the demand for credit. Each bank has available other methods to allocate the limited supplies of funds.

Indeed, as the Administration's efforts to fight inflation increasingly take hold, it is logical to expect that bank interest rates will go down. Accordingly, I hope you will give your wholehearted support to the Administration's budget and tax policies as the surest route to relieving unnecessary pressures on interest rates.

Sincerely yours,

DAVID M. KENNEDY.

Secretary Kennedy revealed just how serious he was about opposing high interest rates when he appeared before the Banking and Currency Committee in its investigation of the prime interest rate. His performance before the committee was one of the weakest and one of the saddest by a public official that I have seen in my 40 years in the Congress.

Mr. Speaker, I place in the RECORD an excerpt from the transcript which shows Mr. Kennedy's inability to handle his office in the public interest:

EXCERPT FROM TRANSCRIPT OF HEARINGS ON INCREASE IN PRIME INTEREST RATES, HOUSE BANKING AND CURRENCY COMMITTEE, JUNE 19, 1969

Chairman PATMAN. I asked you if you did anything yourself to stop this increase or to discourage it?

Secretary KENNEDY. And I answered your question; if you mean did I call the banks and ask them as you did or make a bold statement, no.

Chairman PATMAN. Not necessarily call them, but did you do anything? If so, tell me what it was.

Secretary KENNEDY. There was really nothing I could do.

Chairman PATMAN. You did not do anything then because you said there is nothing you could do?

Secretary KENNEDY. There is no legal possibility of me rolling that back.

Chairman PATMAN. Did you discuss that with the banks about rolling that back.

Secretary KENNEDY. No, I did not.

Chairman PATMAN. Did you discuss it with anybody?

Secretary KENNEDY. No.

Chairman PATMAN. Why didn't you?

Secretary KENNEDY. Why should I?

The Secretary, of course, dodges any suggestion that his friends in the banking community have entered into a conspiracy to fix prices through the prime rate.

Bankers Trust Co. of New York announced the prime rate increase first on June 9 and within minutes, First National City Bank and Chase Manhattan National Bank of New York had followed. All across the country, the major banks were in with identical announcements—all in an hour or two of the original move by Bankers Trust Co.

Despite Secretary Kennedy's opinion, the Assistant Attorney General for Antitrust, Richard McLaren, has launched a full-scale investigation into this conspiracy and I commend him for his action.

The bankers, of course, have consistently used the prime rate to fix interest generally across the Nation. Invariably it has been the large New York banks—the Wall Street complex—that leads the action with other banks falling in line like so many sheep.

Since the prime rate was first established in 1934, the New York banks have led the increases—with two exceptions. These exceptions were Continental-Illinois National Bank—Secretary Kennedy's bank—and the First National Bank of Boston.

Mr. Speaker, I place in the RECORD a full list of the banks which have been the leaders in setting each of the prime rates through the years:

Effective date	Rate (percent)	Bank initiating change
1934 to December 1947.	1½	Bankers Trust Co.
Dec. 15, 1947	1¾	Do.
Aug. 10, 1948	2	Irving Trust Co.
Sept. 22, 1950	2¼	First National City Bank.
Jan. 5, 1951	2½	Bankers Trust Co.
Oct. 17, 1951	2¾	First National City Bank.
Dec. 18, 1951	3	Chase Manhattan Bank.
Apr. 27, 1953	3¼	Bankers Trust Co.
Mar. 17, 1954	3	Morgan Guaranty Trust Co.
Aug. 4, 1955	3¼	Chase Manhattan Bank.
Oct. 14, 1955	3½	First National City Bank.
Apr. 13, 1956	3¾	Chase Manhattan Bank.
Aug. 20, 1956	4	First National Bank of Boston
Aug. 7, 1957	4½	Bankers Trust Co.
Jan. 21, 1958	4	Chase Manhattan Bank.
Apr. 21, 1958	3½	Morgan Guaranty Trust Co.
Sept. 11, 1958	4	Chase Manhattan Bank.
May 18, 1959	4½	First National City Bank.
Sept. 1, 1959	5	Do.
Aug. 23, 1960	4½	Manufacturers Trust Co.
Dec. 6, 1965	5	First National of Chicago.
		Morgan Guaranty Trust.
March 1966	5½	Do.
June 29, 1966	5¾	Chemical Bank New York Trust.
		First National of Chicago.
Aug. 16, 1966	6	First National City Bank, New York.
Jan. 26-27, 1967	5.5	Chase Manhattan.
	5¾	First National City.
Mar. 27, 1967	5.5	Morgan Guaranty.
	5.5	Bank of America.
Nov. 20, 1967	6	Continental Illinois Bank & Trust.
Apr. 19, 1968	6½	Bankers Trust.
Sept. 26, 1968	6	Chase Manhattan.
Nov. 13, 1968	6¼	Do.
Dec. 2, 1968	6½	Do.
Dec. 18, 1968	6¾	First National City Bank.
Jan. 7, 1969	7	Do.
Mar. 17, 1969	7½	Morgan Guaranty.
June 9, 1969	8½	Bankers Trust Co.

Mr. Speaker, the banks have approached this latest round of interest rate increases as if they were on the verge of taking welfare to survive. To hear the David Rockefellers and the other big bankers, it would appear they are not going to survive the winter unless they get these higher and higher interest

rates. When David Rockefeller appeared before the Banking and Currency Committee in its investigation of the prime rate, he sounded like a poor boy about to apply for a poverty grant.

The truth is, Mr. Speaker, that the big banks are enjoying their greatest profit binge in history. They have been unable to hide the enormous profits which have been recorded over the first 6 months of 1969. The figures are coming out and they reveal profits ranging 20 percent to 30 percent above the profit levels recorded during the first half of 1968.

None of these banks appear to be poverty candidates.

For instance, the huge Bank of America, the world's largest bank, had profits of $74,179,000, up 13.3 percent from the first half of 1968.

Chase Manhattan, the second largest, had a profit of $63,832,467, up 9.9 percent from the first half of 1968.

First National City Bank of New York had a profit of $66,457,000, up 5.9 percent from the first half of 1968.

Manufacturers Hanover of New York, the Nation's fourth largest bank, had a profit of $41,115,652, up 20.3 percent from the first half of 1968.

The Nation's fifth largest bank, Morgan Guaranty of New York, had a profit of $20,500,000, up 11.4 percent from the first half of 1968.

Chemical Bank New York Trust, the Nation's sixth largest bank, had a profit of $36,500,000, up 11.2 percent from the first half of 1968.

The Bankers Trust Co. of New York, the Nation's seventh largest bank, had a profit of only $27,510,000, up 1.79 percent, but this low figure was due to the startup costs of their BankAmericard operations and expenses connected with the bank's new midtown headquarters.

And then we come to Mr. Kennedy's bank, the Continental-Illinois National Bank of Chicago—the Nation's eighth largest—which had a profit of $28,173,315, up 10.7 percent from the first half of 1968.

Mr. Speaker, I also place in the RECORD a list of other banks showing the percentage increase in profits from the first half of 1969 over the first half of 1968:

Increase in net operating earnings by banks in first half of 1969 as compared with first half of 1968

[Increase in percent]

American Security & Trust (Washington, D.C.)	12.0
Bank of Commerce (New York)	31.0
Central Penn National Bank (Philadelphia)	19.0
City National Bank (Detroit)	35.8
City National Bank & Trust (Kansas City, Mo.)	36.0
Citizens & Southern of Atlanta	20.0
Continental Bank & Trust (Norristown, Pa.)	27.0
Crocker National Bank (California)	12.9
Cleveland Trust Co	16.5
Central National Bank (Cleveland)	20.0
Connecticut Bank & Trust (Hartford)	19.9
Central Trust (Rochester, N.Y.)	24.1
Exchange National Bank (Chicago)	40.0
First National Bank of Birmingham	50.0
1st National Bank of Atlanta	22.0
1st National State Bank of New Jersey	21.3
1st National Bank of Maryland	16.0
1st National Bank of St. Louis	15.1

Increase in net operating earnings by banks in first half of 1969 as compared with first half of 1968—Continued

[Increase in percent]

Fidelity Union Trust (Newark)	21.1
1st National Bank (Cincinnati)	14.4
1st National Bank of Akron	27.0
1st National Bank of Boston	12.0
Franklin National Bank (New York)	17.7
1st Pennsylvania Banking & Trust Company	37.0
Fidelity Bank of Pennsylvania	25.0
1st Western Bank (Los Angeles)	18.0
Hartford National Bank (Connecticut)	18.0
Harris Trust & Savings (Chicago)	13.1
Irving Trust Co	12.1
Industrial Valley Bank (Philadelphia)	23.0
Marine Midland Grace Trust	30.0
Mercantile Trust (St. Louis)	14.0
Mellon National Bank & Trust (Pittsburgh)	10.0
Northern Trust (Chicago)	19.0
National Newark & Exxes (New Jersey)	33.0
National City Bank of Cleveland	13.7
North Carolina National Bank	25.3
Pittsburgh National Bank	20.0
Philadelphia National Bank	28.0
Provident National Bank	21.0
Riggs National Bank (Washington, D.C.)	22.9
Suburban Trust Co. (Maryland)	14.5
Security Pacific National Bank (California)	15.0
Security National (Huntington, N.Y.)	42.0
State National Bank (Bridgeport, Conn.)	23.3
State Street Bank & Trust Co. (Boston)	6.2
Union Commerce Bank (Cleveland)	16.4
United California Bank (Los Angeles)	17.0
U.S. National Bank (Portland)	28.0
Virginia National Bank (Norfolk)	15.0
Western Pennsylvania National Bank	29.0
Wachovia Bank & Trust	15.2

Mr. Speaker, it would seem that the administration would move to curb this kind of excess profit taking by the banking industry. Clearly they do not need higher interest rates for the purpose of increasing their earnings.

Mr. Speaker, the 8½-percent prime rate that is quoted in the newspapers is highly misleading. It is the rate that is paid by only a selected few—institutions like A.T. & T. and General Motors, the giants of industry. The little guy—the average consumer—pays much more, usually more than double whatever the prime rate might be at any given moment. So when we talk about 8½-percent prime rates, we are talking about general interest rates of 14, 15 percent, and even 20 or 25 percent.

The increase in the prime rate affects every interest rate in the economy. It pushes them all up.

Interest costs are in the prices of everything we buy. Food, appliances, homes, automobiles—every item on the shelves or yet to be manufactured is affected by these price increases.

Interest rates are increasing prices all down the line and they are fueling the fires of inflation.

Just as important is the fact that thousands of needed projects are being stopped because of these high rates. State, county, and municipal governments put off their building of hospitals, schools, roads, and public buildings. These are public needs that will be postponed for years—needs the country can ill afford to postpone.

The homebuilding industry, of course, is the hardest hit by these interest rate increases. Housing starts are on their way down once again. Millions of low- and moderate-income families have already been priced out of the housing market and decent housing is beginning to be put out of the reach of even relatively well-off middle-income families.

Just this week a leading housing expert, Sanford Goodkin, said the housing market "will be crippled drastically" if the prime interest rate is allowed to go up again.

In fact, he predicted that housing starts would drop to an annual rate of 800,000 units if there were any further increases in the rate.

Mr. Speaker, I place in the RECORD a copy of an article in the July 11, 1969, Washington Evening Star on the interview with Mr. Goodkin:

HOME INDUSTRY IS THREATENED

The nation's troubled housing industry will be crippled drastically if the prime lending rate is raised again, according to Sanford R. Goodkin, a leading real estate research consultant.

Housing starts will plunge to an annual rate of about 800,000 in 1969, he predicted, if the prime rate charged by banks is increased from its current 8½ percent level.

Goodkin's observation came in the wake of recent comments in banking circles that still another rise in the historically high prime rate—possibly to as much as 10 percent—may be necessary to curb inflation.

"It is clear that if the prime rate hits 10 percent, followed shortly by new hikes in FHA and VA rates, then an 800,000 starts rate is sure to follow," said Goodkin. "What started out to be a good year in terms of housing starts has already turned into a reprise of 1966."

He noted that in 1966 a disastrous credit crunch saw a severe drying up of mortgage credit and a reduction of housing starts to 1.2 million from 1.6 million in the preceding year.

The prime rate now has gone through four recent increases, culminating with the June 9 jump to a record 8½ percent. Housing starts have correspondingly declined in every month in 1969 and are sure to fall more steeply following the most recent rate increase. Prior to the last increase, they already had declined by 17 percent from January.

Barring another rise in the prime rate, housing starts could still come close to the 1968 rate of 1.55 million, said Goodkin. This is down from earlier, rosier predictions of a 3 percent increase over the 1968 production.

But with inflation still unabated, he said, some bankers have indicated that another prime rate rise is in the offing. Goodkin predicted that if this happens, it probably will be done before September.

"The Nixon Administration will be reluctant to go into the 1970 elections with an unsettled and soft economy," he said. "So it is going to push hard on its anti-inflation fight through this September, then let up in an effort to demonstrate economic recovery by the fall of 1970."

September is a cut-off period to give the economy enough lead time to recover by 1970, he said, because economic patterns indicate that monetary policies don't have their maximum impact until some eight months after they are implemented.

In the 1966 credit crunch, for example, industrial production didn't hit bottom until May 1967, eight months after the greatest panic.

Goodkin said tougher times are ahead for housing, even with the current prime rate prevailing. But another prime rate hike, if

put into effect, would have to be withdrawn before September is over in order for the economy to be in decent condition for the 1970 elections.

"It seems to us that high interest rates turn off only those who are too poor to buy at any interest rate—with the possible exception of home buyers, who are more aware of interest rates than any other consumers," said Goodkin. "It also seems that someone somewhere has decided that the prime lending rate will have to rise to some magic margin like 10 percent before all the sophisticates are turned off."

But, he said, "the fact is that inflation is being fed by thoughtless finger-pointing of unions to management, management to labor, private to public, consumer to anyone. The entire economy may be doomed to repeat some very unfortunate moments in its history because we insist on ignoring history."

Mr. Speaker, I also place in the RECORD an article from the Wall Street Journal entitled: "House Hunting Blues: Rising Interest Rates, Home Prices Discourage Many Would-Be Buyers":

HOUSE-HUNTING BLUES—RISING INTEREST RATES, HOME PRICES DISCOURAGE MANY WOULD-BE BUYERS—HOUSING START FORECAST DIPS BELOW YEAR-AGO FIGURE—DOWN PAYMENTS RAISED—SETTLING FOR AN APARTMENT

A Philadelphia accountant who has combed the Main Line suburbs for the past six months in search of a home tells a tale of woe.

"The prices are simply outlandish," he moans. "We started out looking at the $35,000 level, but when you mention that price to a broker he just laughs. We looked at one house for $43,000 that had ceilings so low that you couldn't maneuver—you'd have to walk around like a hunchback. Another place for $42,000 had a tiny kitchen. It also was dark, dingy and dirty."

The accountant has slowed his search lately, but not because he wants a home any less. "With interest rates like they are, we probably couldn't get a mortgage even if we found a decent place," he says gloomily.

The Philadelphian's plight illustrates the extreme difficulties home hunters all around the country are having these days. Bankers, real estate brokers and people in the market for houses agree that the current housing squeeze is the worst in recent years. Few predict it will get better in the months ahead.

Behind this situation is a demand for money from all sectors of the economy that has sent interest rates soaring to all-time highs. On June 9, bankers raised their prime rate—the interest they charge their most credit-worthy corporate customers—to a record 8½% from 7½%. It was the fifth prime rate boost since December and the first full percentage-point increase since 1945.

Mortgage interest rates also have been rising sharply. The Federal Home Loan Bank Board reports that the effective interest on conventional new home loans averaged 7.64% in May, up from 7.3% in January and 6.84% in May 1968. Savings and loan associations are the nation's biggest mortgage lenders, and in recent months their supply of new funds has slackened as depositors have sought higher returns elsewhere. The trend may reduce their lending activity.

The maximum interest rate that lenders can charge on mortgage loans guaranteed by Federal agencies still stands at 7½%, but it's expected to rise to 8% shortly to reflect money market realities.

High-priced money is threatening to dry up the already meager supply of homes on the market. Builders complain that money for construction loans is scarce at precisely the time they need more of it to cope with rising labor and construction materials costs. the result is a cutback in their home-building plans.

The National Association of Home Builders, a Washington-based trade group, earlier this year predicted that about 1.7 million new homes would be started in 1969, about 13% more than in 1968. Six weeks ago it revised that estimate to forecast a 3% drop for the year. Now "we are going to have to revise that figure down again" as a result of the effects of the most recent prime-rate increase, says Michael Sumichrast, chief NAHB economist.

A shortage of new homes means that prices of existing homes are going up rapidly—more than 1% a month in some metropolitan areas. But homeowners are reluctant to cash in on this bonanza because it would entail braving the bruising housing and mortgage markets again for another home.

SCARED OFF

"A guy will hear about the big prices people are paying for homes and come in to see about selling his," says Frank La Rosa, a real estate broker in Westbury, Long Island, N.Y., "When he sees the current interest figures, he says, 'My God, I can't give up my 5% mortgage for those rates,' He decides to add a room to his present house."

Mr. La Rosa says he currently has about 25% fewer home listings than at this time a year ago.

The situation is much the same elsewhere. "I could get you $3,500 more for your home today than last year," Cleveland real estate man Lloyd A. Lehman tells one former customer. "But I can't guarantee you that I'd be able to find you another home."

The mortgage money-housing pinch is especially severe in states where usury laws have pegged the maximum interest rates that banks can charge on conventional home loans well below the returns available from other types of lending. In Illinois, Michigan and Pennsylvania, for instance, the maximum mortgage interest rate is 7% (though banks can get 7½% on loans guaranteed by the Federal Housing Administration and the Veterans Administration). In New York and New Jersey, it's 7½%.

Lenders in some areas can circumvent those limits by tacking service fees known as "points" on home loans they make; a "point" is equal to 1% of the amount of the loan, and it must be paid in cash when the loan agreement is completed.

In Michigan, where the law doesn't permit lenders to add "points" to conventional home loans, many have simply stopped making such loans. They are adding up to seven points on FHA-backed mortgages.

In the Chicago area, some financial institutions responded to the latest prime-rate increase by boosting their points on 7½% FHA loans to 8½ from five. At that rate, the service charge on a $20,000 mortgage comes to a whopping $1,700.

DOWN PAYMENT REQUIREMENTS RISE

Lenders also have moved to make it tougher on potential borrowers by raising down-payment requirements. In the Chicago area, down payments on conventional mortgages range from 30% to 40% of the home price, up from 20% to 25% just two months ago. Savings and loan concerns in Chicago insist they still are investing most of their funds in local home mortgages, but real estate men dispute this.

"The lenders have let us down completely," asserts one real estate salesman in a suburb north of Chicago. "They're either sitting on their money waiting for the usury rate to go up (such a bill currently is pending in the Illinois legislature), or buying out-of-state mortgages at higher rates. I've had four deals collapse in the last two weeks because my people couldn't get mortgages."

Home lending hasn't stopped in New York and New Jersey, but many lenders have cut back their activity by accepting mortgage applications only from their own depositors or from customers of real estate men with whom they do a lot of business. And a few of them have begun casting a warier eye on loan applications from savings account holders.

"The other day we gave a $32,000 mortgage at 7½% with a 25% down payment to a man who had a $2,500 savings account with us," says Cadman H. Frederick, vice president of Suffolk County Federal Savings & Loan on New York's Long Island, "It turned out he deposited the $2,500 the day he asked for the loan and withdrew $2,400 of it the day after he got his mortgage. From now on we're going to check on how long people have had savings accounts with us."

Low and middle-income house hunters are feeling the housing squeeze most. Rising building costs have pushed many new homes out of their reach, and they are having an increasingly tough time making the monthly payments required by today's high interest rates.

In Philadelphia, for instance, A. P. Orleans & Co., a large building concern, offered row houses for $17,000 a year ago; the same house sells for $18,500 today. "We are rapidly losing the bottom of the market," says Edward Borowsky, the firm's sales manager.

In San Francisco, "there's slim pickings in the $20,000 to $25,000 range," says Lee Barrett, president of Leland Barrett Realty Co. Real estate men there say few houses are being built to sell at those prices, and price increases have taken existing homes out of that bracket.

According to some real estate men, the housing pinch also is affecting the well-to-do. Says Joe George, manager of William E. Doud Real Estate in the prosperous Los Feliz section of Los Angeles: "The $100,000 homes aren't selling as well as they used to. People just don't want to borrow that kind of money at today's interest rates." (Mortgage interest runs as high as 9% in Los Angeles.)

At best, the housing pinch is causing home buyers to lower their standards and stretch their budgets. Mr. and Mrs. Charles Williams started out last March looking for a three-bedroom home near New York; they wanted to pay about $25,000 and to put $5,000 down. The Williamses found a $25,000 home in Fanwood, N.J., but they had to put down $5,900 and settled for two bedrooms and an attic they will have to convert into a third bedroom. "After three months of looking, we felt lucky to get what we did," says Mrs. Williams.

A Philadelphia machine shop superintendent and his family fared worse. They sold their 23-year-old row house for $12,000 two months ago because "the way the neighborhood was changing, we figured it was no longer safe for our daughters," says the wife. After looking at some 30 homes in suburbs north of the city, they settled for an apartment. "We found just one house in our price range—at $24,900," she says. "The roof leaked and the floors needed refinishing. It would have cost us another $5,000 to make it livable."

Mr. Speaker, these high interest rates are ripping the American economy apart. We are fast taking on the economic character of the banana republics to the south where 20, 30, and 40 percent interest rates are commonplace.

Like many of these South American countries, the U.S. economy will collapse under the weight of these excessive and usurious interest rates. Unless something is done and done quickly, we will have a first-class recession that could quickly move into a full-scale depression.

Mr. Speaker, earlier this year I interrogated the Federal Reserve Board Chairman, William McChesney Martin, when he appeared before the Joint Economic Committee, of which I am chair-

man. At that time, I described the Federal Reserve Board Chairman as the most expensive Government official in the history of the world.

At the time, I felt that Mr. Martin would be able to keep his claim on this title for years to come. But I calculated this without realizing just how expensive the new Secretary of the Treasury, David M. Kennedy, would be to this Nation.

Secretary Kennedy's weak-kneed response to the banks brought about the increase from 7½ percent to 8½ percent in the prime rate on June 9. This one increase will cost the American people $15 billion in excess interest on the public and private debt which now amounts to a trillion, five hundred billion dollars

If the Secretary continues to make these kinds of mistakes, he will cost the American people well over $100 billion if he stays throughout President Nixon's first term. So, the Secretary may well be on his way to surpassing that infamous record of William McChesney Martin.

Today, Mr. Martin stands charged with costing the American people nearly $300 billion in excess interest charges since he became Federal Reserve Board Chairman in 1951. That is the excess cost on the public and private debt resulting from unnecessary interest rate increases during Mr. Martin's tenure.

Mr. Speaker, I place in the RECORD a table showing these steady increases in interest costs under Mr. Martin:

NET PUBLIC AND PRIVATE DEBT, TOTAL INTEREST PAID, AND AVERAGE RATE OF INTEREST IN THE UNITED STATES, 1951–68

[Dollar amounts in billions]

Year	Total debt[1]	Interest paid[2]	Computed average interest paid (percent) (3–2)	Interest costs figured at 1951 computed rate
(I)	(II)	(III)	(IV)	(V)
1951	$518.9	$17.7	3.41	$17.7
1952	549.7	19.5	3.55	18.7
1953	581.1	21.7	3.73	19.8
1954	605.2	23.5	3.88	20.6
1955	664.3	25.8	3.88	22.7
1956	697.6	29.5	4.22	23.8
1957	727.4	33.6	4.61	24.8
1958	768.2	35.5	4.62	26.2
1959	830.7	40.3	4.85	28.3
1960	872.0	44.2	5.07	29.7
1961	929.4	46.8	5.04	31.7
1962	997.0	52.5	5.27	34.0
1963	1,071.2	58.7	5.48	36.5
1964	1,154.0	65.2	5.65	39.4
1965	1,243.8	72.4	5.82	42.4
1966	1,335.7	81.9	6.13	45.5
1967	1,424.8	89.9	6.31	48.6
1968	[3]1,547.4	[3]100.8	6.52	52.8
Total		859.5		563.2
Less total col. V		563.2		
Excess cost		296.3		

[1] Economic Report of the President, 1969.
[2] Office of Business Economics, Department of Commerce.
[3] Estimated.

Mr. Speaker, Chairman Martin is fond of claiming that these excessive interest rate charges are the result of natural market forces and that they just happened to occur while he was in office. This is so much hogwash.

Mr. Speaker, we have in the past had good Federal Reserve Boards that would protect the public interest and keep interest rates down. Nothing illustrates this better than an analysis of the yields on long-term Government securities from 1939 to 1952. During this 14-year period, the rates were kept under 2½ percent on this type of Government borrowing. The Federal Reserve pegged the interest rate at this level and kept it there during a period that included severe depression, war, and inflation—good times and bad times.

As soon as the Republicans and William McChesney Martin gained firm control of our monetary policies in 1953, the rate started skyrocketing on long-term Government securities.

Mr. Speaker, I place in the RECORD a chart which compares the 14-year period, 1939–52, with the 14-year period, 1953–66:

Yields on long-term Government bonds 1939 to present

[Percent per annum]

Years:	Yield
1939	2.36
1940	2.21
1941	1.95
1942	2.46
1943	2.47
1944	2.48
1945	2.37
1946	2.19
1947	2.25
1948	2.44
1949	2.31
1950	2.32
1951	2.57
1952	2.68
1953	2.94
1954	2.56
1955	2.84
1956	3.08
1957	3.47
1958	3.43
1959	4.08
1960	4.02
1961	3.90
1962	3.95
1963	4.00
1964	4.15
1965	4.12
1966	4.65
Average for 14-year period 1939–52)	2.36
Average for 14-year period 1953–66)	3.65

Of course, the rates have continued to go up and in 1967, they climbed to 4.85 on long-term Government securities and to 5.26 in 1968.

Mr. Speaker, these rates and yields on long-term Government securities do not really tell the full story. These are the rates to the Federal Government and, of course, the rates charged the American public were much higher.

A chart of the prime lending rates gives an even more graphic illustration of what has happened:

Prime rate (1939 to 1969) percent per annum

Year:	Rate
1939	1.50
1940	1.50
1941	1.50
1942	1.50
1943	1.50
1944	1.50
1945	1.50
1946	1.50
1947	1.75
1948	1.75
1949	2.00
1950	2.00
1951	2.50
1952	3.00
1953	3.25
1954	3.25
1955	3.50
1956	4.00
1957	4.50
1958	4.00
1959	5.00
1960	5.00
1961	4.50
1962	4.50
1963	4.50
1964	4.50
1965	5.00
1966	6.00
1967	6.00
1968	6.75
1969	8.50

Source: Federal Reserve Board.

I also place in the RECORD a chart which describes the increase in the FHA interest rate to its present level of 8 percent, including the insurance fee:

FHA interest rate[1]

(1939–69)

[In percent]

Year:	Rate[2]
1939	5.00
1940	4.50
1941	4.50
1942	4.50
1943	4.50
1944	4.50
1945	4.50
1946	4.50
1947	4.50
1948	4.50
1949	4.50
1950	4.50
1951	4.25
1952	4.25
1953	4.50
1954	4.50
1955	4.50
1956	5.00
1957	5.25
1958	5.25
1959	5.75
1960	5.75
1961	5.75
1962	5.25
1963	5.25
1964	5.25
1965	5.25
1966	6.00
1967	6.00
1968	6.75
1969	7.50

[1] Figure shown is maximum legal rate for that year.
[2] To this figure should be added ½% for insurance.

Source: Department of Housing and Urban Development.

Mr. Speaker, these figures make it obvious that something must be done at the highest levels of the Federal Government to bring about a reversal in this trend toward higher and higher interest rates.

Yet, we have an administration which moves in the opposite direction. An example of this came last week when the Treasury Department announced plans to eliminate the 51-year-old limit of 4¼ percent on long-term Government securities.

The removal of the 4¼-percent ceiling is tantamount to a surrender to a permanent state of high interest rates in the U.S. economy. I do not accept this and I am convinced that the majority of the Members of the Congress are unwilling to write high interest into law on a permanent basis.

The Federal Government should finance its operations at short terms—under 7 years—while interest rates remain at their historic highs.

It is foolhardy and irresponsible to lock in long-term Government borrowings for 30, 40, and 50 years at these high rates. It is accepted and common practice for business corporations to borrow short term when rates are high and long term when rates decline. The Government should follow the same sound business practice and not recommend removal of the 4¼-percent ceiling.

I recognize that the 4¼-percent ceiling is well below existing market rates, but this is all the more reason to hold the line against long-term borrowings at high interest rates.

The 4¼-percent ceiling has always been a warning to remind the Federal Government that the American people expect their representatives to follow a policy of low and reasonable interest rates.

This is true despite the fact that this administration has violated this policy on all fronts.

The recommendation for removal of the 4¼-percent ceiling is an obvious signal that the Nixon administration plans to keep interest rates high for an indefinite period.

Mr. Speaker, the American people are in desperate need of help—in desperate need of officials who will live up to their responsibility on monetary policy.

Instead, we have twin mynah birds at the Treasury Department and at the Federal Reserve—one croaking out, "Fight inflation, fight inflation," and the other, "There is nothing I can do, there is nothing I can do."

It is now obvious—painfully so—that the people cannot turn to the Secretary of the Treasury for help on interest rates. He has turned a deaf ear to the demands from the people.

The Secretary continues to hold "window dressing" meetings with the bankers at the Treasury Department—get-togethers for his old friends. There is another of these sessions scheduled for tomorrow at the Department.

As I mentioned earlier, these meetings were originally billed as discussions of the prime rate—hopefully discussions to bring that rate down. But they have turned into nothing but political gatherings designed to shore up the strength of a weak Secretary of the Treasury. Mr. Kennedy hopes to demonstrate his strength among the bankers and the big business community. He has given up any hopes of reaching the people. He is now appealing to the special interests to keep him in office.

Mr. Speaker, it has become more and more obvious that the Congress must seize the initiative if anything is to be done to bring interest rates down and to prevent them from going even higher. The administration, thanks to a reactionary Federal Reserve Board Chairman and an unbelievably weak sister in the top job at the Treasury Department, has abandoned its role on monetary policy.

Therefore, today, I am announcing the formation of a broadly based low interest steering committee among the Democrats in the House of Representatives. In the next few days, I will be asking my colleagues to join me in this effort.

Mr. Speaker, this steering committee will be designed to fill the enormous vacuum that has been left by the Nixon administration. It will be designed to provide direction and national policy on monetary affairs with particular emphasis on discovering ways to bring down interest rates.

In recent weeks, Members of the House from all sections of the Nation have contacted me about the high-interest-rate situation and expressed deep concern that the administration was doing nothing. The formation of this committee is an answer to these requests.

Initially, Mr. Speaker, the steering committee will work to mobilize strength in the House to oppose the administration's ill-conceived attempt to lift the 4¼-percent ceiling on long-term Government bonds. The steering committee, however, will move into broader areas of the interest rate question and will attempt to mobilize congressional and public sentiment behind efforts to roll back the prime rate and other key interest rates that are forcing up the cost of money in the economy.

Mr. Speaker, we formed a steering committee in the late 1950's and it did much to hold down interest rates in the Eisenhower administration. This committee was directly responsible for blocking the attempt to raise the 4¼-percent ceiling on long-term securities which President Eisenhower had proposed.

Today, there is even greater sentiment for action on interest rates. I know for a fact that mail is pouring into many Members' offices, and I have received over a thousand letters and telegrams from virtually every State in the Nation.

Mr. Speaker, we must have action to bring down interest rates and it is incumbent on the 91st Congress to fill the leadership vacuum that has been created by the administration and its monetary officials.

COMMENDING THE ATTORNEY GENERAL ON HIS VOTING RIGHTS POSITION

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Louisiana (Mr. WAGGONNER) is recognized for 10 minutes.

Mr. WAGGONNER. Mr. Speaker, you will remember that I spoke on a number of occasions during House consideration of the Voting Rights Act of 1965 in opposition to the measure. I am sure you will recall as well that I centered my opposition around the undisputed fact that it was sectional legislation, punitive in nature, carefully proscribed so that it applied only to a few States in the South. At that time, the baying of the hounds was loud and clear. Those of us who tried unsuccessfully to make this or any other legislation equally applicable to all States were hooted down.

The Attorney General has now presented to the House Judiciary Committee and the Senate Committee on the Judiciary a new proposal recognizing the unfairness and the inequity of the present law. This new proposal provides that whatever is enacted is to apply to all States and, further, it places the burden of proving discrimination on the Federal Government rather than requiring, as is now the case, the States or other geographical or political subdivisions to prove their innocence.

Nothing could be more democratic, more in keeping with the American tradition of equity and justice.

I am not surprised, however, that the same array of men who voted for the present discriminatory legislation 4 years ago is now uniformly horrified over the prospect of this law applying to their States as well. I have questions about certain aspects of the proposal myself, but, in regard to the equity of its being applicable to all States, I have none. As a matter of fact, if this were not such a serious subject, their display of demagoguery would be outlandishly funny.

But, as I say, this is a serious subject. In truth, there can be no intelligent argument advanced to deny that the Constitution of the United States gives to the several States the right to set their own voting requirements as long as the standards are uniformly applied to all people. Yet, the existing law forbids that right to the States.

I have had bitter personal experience with the present law and how its discriminatory provisions have been used. It is a matter of record that the former Attorney General, Ramsey Clark, sent hordes of Federal registrars into my district and others, there to round up men and women like so many cattle and herd them to the voter registration offices, providing only that they were Negro.

I asked Attorney General Clark face to face if any person in any parish of my congressional district had been guilty of discrimination against any person who had attempted to register and he said there had not been a single instance that he knew of.

I then asked him if he intended to make the same registration drive among whites because I am in favor of everyone being registered to vote who wants to be. In response, Attorney General Clark said he was not interested in registering whites, only Negroes.

Thus this act was abusively used to register tens of thousands of illiterates all over the South who had never expressed any interest in registering or voting before.

The present Attorney General is right of course, in taking the position that whatever is law in one State must also be law in all others. He is right when he says there should be no sectionalism, but equal justice under law. It is the distilled essence of demagoguery for anyone to attack him or this position as some are doing. Those who are doing so are the ones who voted in favor of this discrimination back in 1965. They are the ones who have been discriminating in the intervening years. The chickens have come home to roost

In all sincerity, I salute the Attorney General for his effort to provide equity under the law rather than discrimination as his predecessors did. Both he and the administration are to be commended for their forthright approach.

NONSILVER $1 COIN

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

Mr. CONTE. Mr. Speaker, I rise today in strong opposition to a bill that was introduced last week by my colleague, the gentleman from Idaho, and 145 cosponsors. The bill, H.R. 12744, authorizes the minting of clad silver dollars bearing the likeness of the late Dwight David Eisenhower.

At the outset, I want to make it clear that my opposition is not to the commemoration of our beloved President. The fact of the matter is that I was the first to introduce such legislation. I did it almost 2 months ago, on May 19. My bill, H.R. 11404, specifically provided for the minting of a nonsilver $1 coin bearing the likeness of President Eisenhower.

My opposition, Mr. Speaker, is to the use of silver in this coin. And I want to take this opportunity to explain my position to you and the rest of my colleagues, especially those who joined in the bill to authorize the minting of a silver dollar coin.

On May 12 of this year, the Joint Commission on the Coinage held a very important meeting that was chaired, incidentally, by Secretary of the Treasury David Kennedy. As many of you know, this bipartisan commission has the responsibility of giving advice on silver and coinage problems to the President, the Secretary of the Treasury, and the Congress.

I am currently a member of it, and have been since its inception several years ago. As a result of this position, I have studied the problems of silver and coinage very closely.

At this meeting, the Joint Commission on the Coinage recommended, among other things, that silver be taken out of the half dollar and that it be replaced by a nonsilver half dollar, and a nonsilver $1 coin. As a result of this recommendation, the Treasury Department urged prompt enactment of legislation to that effect, and I introduced my bill.

I might add at this point, Mr. Speaker, that these recommendations were not arrived at overnight. They were the result of more than 2 years' work, during which time the silver situation was studied with a fine-tooth comb. Every aspect of the problem was looked into, and I can assure you that no table was left unturned.

I think that Secretary Kennedy's statement to the Commission explains the problem very well. He said, and I quote:

> The first recommendation, for the minting of a non-silver clad half dollar, is consistent with the conclusions reached by the commission at its meeting last December. I think the convincing argument here is that despite the minting of some 760 million 40 percent silver half dollars over the past three years, very few of these coins are actually circulating. Even if we were to continue pouring all of our remaining 150 million ounces of surplus silver into the silver half dollar, it is extremely doubtful whether the coin would circulate in any quantity. Moreover, this use of our remaining silver would require a halting of surplus silver sales which would very probably drive the price up excessively and further stimulate the hoarding of these coins. *In short, the 40 percent half dollar in our past experience is simply a losing proposition.* (Emphasis added.)

That statement, I repeat, was made by the Secretary of the Treasury and you can readily see that it applies to the use of silver in any coin.

Mr. Speaker, to call the 40-percent half dollar a losing proposition is to state the case mildly.

The point is that we are wasting our precious supplies of silver on a coin that does not even circulate, while our domestic industry desperately needs the metal. And the legislation my collegues have introduced would not only continue this wasteful practice, but also would aggravate it. In addition, it would be inconsistent with the Joint Coinage Commission recommendations.

A few figures should put what I am saying in the proper perspective.

For example, since 1964, 267 million ounces of silver have been used in the minting of more than 1 billion half dollars. This amount of silver alone would have been enough to fill the gap between domestic production and consumption for a period of 2½ years.

Or to put it another way, the United States used 60 percent more silver in minting the half dollar than the rest of the entire world consumed during 1968 for this purpose.

The fact that the coin would not circulate even at the annual production rate of 300 million coins should be proof that, so long as silver is used, it will not serve as a medium of exchange.

And the mint reduced the production of the 40-percent half dollar to 100 million a year last July. Even at this reduced rate—15 million ounces of silver per year—more silver is consumed in 1 year than is consumed by the domestic photographic industry in 4 months or the electronics industry in 5 months.

In addition, U.S. industry uses about four times the amount of silver produced in this country. Thus, foreign silver must be purchased to fill the gap. At 1968 prices, this could mean a $175 to $256 million per year balance-of-payments deficit.

Mr. Speaker, simply stated, a new silver coin would not serve the purpose for which it was intended. It just would not circulate. But there are other reasons as well for not using silver in our currency.

For example, the Government could make more money on seigniorage by minting nonsilver coins. Seigniorage, as some of you know, is the difference between the face value and the intrinsic value of a coin.

The Treasury Department only has about 150 million ounces of silver left in its reserves.

Legislation authorizing silver coins could start an inflationary upward move for silver like the one that occurred last year.

And finally, I would remind all my colleagues that it was Congress that originally authorized taking silver out of our currency. Under Public Law 89–81, which pased on July 23, 1965, silver was taken out of the dime and the quarter. Unfortunately, it was not completely taken out of the half dollar, which retained 40 percent silver. The reason for this action was clear, and I should know. I fought hard for it, including removal of all silver from the half dollar which we lost on. Congress recognized that silver was much too precious and its supplies much too limited to waste on currency.

And yet, in spite of all this, Mr. Speaker, some of my colleagues are asking for a silver coin. I just hope that they will take a good hard look at the silver situation, and in so doing, I would ask them to balance the crying need that domestic industry has for silver against the need for its use in a coin that would not even circulate.

I know it is a rare day that finds me quoting the Chicago Tribune, but today is indeed one of those rare days. In an editorial on June 7, the Tribune commented on the Treasury recommendations I have already mentioned. I quote:

> Mr. Kennedy's plan is sensible and timely. . . . (It) would give us half-dollars we can use, and the vending machines are starved for them. It might give us back the old cartwheel . . . even minus its silver. It would increase the profit . . . which the mint makes on its coinage. And nobody can complain that he will be seriously hurt by the proposal.

I repeat, that was the Chicago Tribune.

Even more interesting and somewhat ironical, are the comments of the Denver Post. On May 15, the Post ran an editorial entitled, "Wrong Time for Silver Oratory." Therein, they came out against the specific coin in question because they felt it would not circulate so long as it contained silver. And I would remind you that Colorado is a great silver-mining State.

Before concluding, I think there is something else we should all keep in mind. All the coins in question would bear the likeness of our late President, Dwight David Eisenhower. I am sure that my colleagues would agree with me that this is a fitting tribute to one of our greatest leaders. It would indeed be unfortunate if we failed or even delayed to commemorate him in this manner.

I regret to say, however, that this may well be the case if the silver dollar coin is pushed. I say this because I am confident that when my colleagues study the silver situation, they will have serious second thoughts about the wisdom of their action.

There would follow a period of substantial delay, during which time our silver supplies would be further depleted. In the end, we would either end up with no coin, or the nonsilver coin which I have advocated, and for which I have introduced legislation.

I might note that my nonsilver coin would not look like the brown-edged clad coins currently in circulation. It would be esthetically appealing, and far

superior in appearance than the dime and quarter. In addition, I am informed that the new Philadelphia Mint can develop such a coin. Thus, there will be no need to spend money for a private contract to develop it.

I am anxious to see our beloved President commemorated—and now I know that my colleagues feel the same way. I also know that they would want to do this in a way that will have no detrimental effect upon anyone.

Mr. Speaker, I hope that I have made my position clear, and at the same time, given my colleagues some food for thought. Thank you for the opportunity to make these remarks.

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

Mr. CONTE. I yield to my colleague, the gentleman from Minnesota.

Mr. MACGREGOR. Mr. Speaker, I was delighted to learn my distinguished colleague, the gentleman from Massachusetts, has recently found it in order and not at all painful to quote from the Chicago Tribune.

I would hope that in the future my distinguished friend from Massachusetts might read the Chicago Tribune and its editorial policy, with the hope that perhaps he might find further areas of agreement with it.

Mr. CONTE. I found it to be very enlightening on this subject. I intend to pursue and read it as often as I can.

Mr. MACGREGOR. I am delighted to hear that.

Mr. CONTE. I thank the gentleman.

NO TAXATION WITHOUT REFORMATION

The SPEAKER pro tempore (Mr. PUCINSKI). Under a previous order of the House, the gentleman from Wisconsin (Mr. REUSS) is recognized for 20 minutes.

Mr. REUSS. Mr. Speaker, yesterday I again stressed the need for substantive tax reform in testimony before the Senate Finance Committee. The text of that testimony follows:

Mr. Chairman, I applaud your intention that any proposal to extend the income tax surcharge be considered simultaneously with recommendations on meaningful tax reform.

My testimony this morning makes two points:

(1) how very necessary such a marriage between the surcharge and tax reform is if we are ever to get tax reform; and (2) a warning about some new loopholes which, strangely enough, appear in the surcharge—investment tax credit repealer bill before you.

The position you have taken on the surcharge and tax reform is supported by a very large number of House members. Unfortunately, it seems not to have found favor with the Administration. The Administration's position is: "Disaster impends if the surcharge extension is delayed. If you will but pass the surcharge now, tax reform in abundance will be forthcoming by the end of the summer."

I have my doubts about both of these Administration claims. I am not convinced that doom will be upon us if we merely continue to extend withholding rates without extending the surtax. Nor am I convinced that the Administration's professed ardor for meaningful tax reform will survive passage of the surtax.

If we extend the withholding rates each month to give Congress time to complete work on tax reform, there will be no great administrative burden on businessmen or on the Treasury. Taxes will continue to be withheld at the same rate as they have been in the past.

If we grant the Administration its argument that this tax revenue must be taken out of the economy in order to lessen inflationary pressures, extending the withholding rate will do this as well as an extension of the surcharge.

If we are concerned about the inflationary effect of delaying repeal of the 7 percent investment tax credit, we should recall that repeal, when passed, will be retroactive to April 18, 1969. Since businessmen know they can no longer count on the investment tax credit, a few months delay in enactment will not affect their investment plans.

As for the Administration's commitment to tax reform, there are signs that it is less than total. In such critical areas as the oil depletion allowance, tax-exempt state and local bonds, capital gains, stock options, accelerated depreciation on speculative real estate, and payment of estate taxes by the redemption of government bonds at par, one looks in vain for Administration loophole-plugging proposals. The reason, I suspect, is that there are strong anti-reform voices within the Administration blocking action in these areas.

Take the 27.5 percent oil depletion allowance. In a November 1, 1968, campaign speech in Lubbock, Texas, Mr. Nixon solemnly promised that he would never tamper with that sacrosanct loophole.

Or tax-exempt bonds. Attorney General John Mitchell was a leading tax counsel for the issuers of tax-exempt bonds for many years. Since becoming Attorney General, he has said that taxing income from such bonds would be unconstitutional, even though the great weight of legal authority is to the contrary. Vice President Spiro Agnew is another Nixon Administration figure who opposes taxing the interest from these bonds. Agnew, a former Governor and county executive, has reportedly been urging state and county officials to lobby against any proposals for tax reform in this area.

In the capital gains area, it has been reported that Dr. Arthur Burns, President Nixon's top economic advisor, does not believe that capital gains should be taxed at all. It was the influence of Dr. Burns, it is said, that kept any changes in capital gains taxation out of the April Nixon tax package.

Moving on to stock options, we find that Secretary of the Treasury Kennedy, earlier this year, negotiated successfully with the Senate to take advantage of the stock option loophole with regard to stock in his Chicago bank. Because he disposed of this stock before six months had passed, however, the bargained-for tax benefits turned out to be unavailable.

With regard to the loophole allowing accelerated depreciation on speculative real estate, we find Housing and Urban Development Secretary George Romney arguing that no changes can be made in this provision without doing irreparable harm to programs for low and middle income housing—despite the fact that only 6 percent of the tax benefits from this provision go to those investing in low and moderate income housing.

It should be clear from this that the Administration's commitment to "prompt and meaningful tax reform" would be strengthened by strong pressure from the outside. The only way to keep this outside pressure strong is to say to the Administration: No surtax without tax reform! No taxation without reformation!

Tax reform cannot pass without Republican votes. The amassing of 154 Republican votes for the tax surcharge in the House on June 30 demonstrates the wonders that can be worked when President Nixon and his Congressional leaders apply their persuasive skills.

Turning briefly to the investment tax credit repealer, the transition rules adopted by the House in connection with the repeal in at least three instances grant special privileges to individual companies which are very difficult to justify by any objective standard.

The transition rules generally allow the credit for expenditures after April 18, 1969, if the expenditures are made under a binding contract in effect on that date. In addition, the credit is allowed for an entire facility in certain cases in which, prior to the cut-off date, there is an economic commitment evidenced by expenditures constituting more than half the cost of the facility.

But there are three sections, tightly drawn to cover only a few companies, which allow the credit in situations not covered by the general transition rules.

The first, designed to save thirteen gas pipeline companies some $14.2 million in taxes, would enable these companies to take the investment credit on pipeline which they have not yet bought but for which approval was sought from the Federal Power Commission before April 19 (Sec. 4(a) of the bill and Sec. 49(b)(6)(B) of the code). The theory is that the companies should not be penalized for delay by a Federal agency. But there are a great many other analagous situations in which a company must hold off entering into a binding contract while waiting for a Federal agency to act that are not covered by this provision. How about the thousands of legitimate businessmen who didn't have a firm contract because they were waiting for commitments from the Interstate Commerce Commission, Securities and Exchange Commission, Civil Aeronautics Board, or the Small Business Administration? The provision is very carefully drawn, however, so that only the thirteen pipeline companies can benefit. If there is so much merit in the pipeline companies' argument, why isn't similar largesse extended to everyone in the same position?

Another point—if it is the possible tardiness by a Federal agency which justifies this exemption from the general rule, why is it made available, as it is, to companies that sought Federal Power Commission approval only a day or two before the April 19 cut-off date? Surely these companies could not have expected action on their application within the space of a few days.

Finally, many economists have argued that the investment credit should never have been extended to utilities such as these pipeline companies in the first place, since they already recover all their investment costs plus a reasonable rate of return under the rates set for them by regulatory commissions.

The second special interest exception to the regular transition rules is designed to aid three shipping companies and would save them an estimated $3.5 million (sec. 4(a) of the bill and sec. 49(b)(9) of the code). The provision extends the investment credit to unordered and unbuilt barges which are to be carried on a new type of sea-going cargo vessel. The barges are made eligible for the credit if the ships which are to carry them are eligible, even if the barges have not been ordered before April 19. A general transition rule would make these barges eligible if they represented less than half the total cost of the ships plus the barges, but the special rule makes them eligible irrespective of this general provision. Again, the special exception is carefully drawn so that only the favored companies can benefit from it, leaving others in analogous situations to complain about the unfairness of the legislative process in Washington.

The third special provision is designed to aid the Lockheed Aircraft Corporation (sec.

4(a) of the bill and sec. 49(b)(10) of the code). The provision is tightly written to cover a contract Lockheed made last December with several companies for a new commercial plane. The planes will not all be delivered until 1973, and Lookheed has not yet bought all the tools needed to produce them. The provision would extend the credit not only to these tools, but to "all tangible personal property placed in service by [Lockheed] before January 1, 1972" which is required to carry out the contract, irrespective of the normal 50 percent rule. Once again we have a provision drafted in general terms which in fact applies to only one firm and which cynically excludes all others in similar situations.

My point, Mr. Chairman, is not that the Committee should seek out all others in similar circumstances so that the benefits unjustifiably extended to some are extended to all. Rather, I would urge the Committee to strike out these special interest provisions and leave these companies to be dealt with under the general rules that apply to everyone else. The Treasury Department has made a conscientious effort to draft transition rules that are as fair to everyone as possible. There will of course always be companies who are denied the credit under these rules who can plausibly claim to be entitled to it, but Congress is not well equipped to deal with these individual cases. The Congress should draw up rules which are generally applicable, leaving to the courts the task of applying them in individual cases. Once we get into the business of drafting special laws for special people, we simply compound the inequity of the laws we pass, while fostering cynicism and disillusionment among those who are excluded from the special benefits.

PANAMA SEA LEVEL PROPOSAL: VIEWS OF DISTINGUISHED GEOLOGIST

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

Mr. FLOOD. Mr. Speaker, in a most timely book by Teller, Talley, Higgins, & Johnson on "The Constructive Uses of Nuclear Explosives," published in 1968 by McGraw-Hill, the factual details and results of the Plowshare program were presented in honest scientific form and are thus available for objective appraisal of the nuclear excavation proposal by independent and experienced engineers and geologists.

As I stated on October 11, 1968, when commenting on the fourth annual report of the Atlantic-Pacific Interoceanic Study Commission before this body, such evaluations should not be made by those who may benefit from their own recommendations, but by independent persons not employed in current canal studies that are rooted in the executive branch of our Government.

Prior to this date, on August 6, 1968, a distinguished physicist wrote me commending the Teller, et al. book, describing the "idealistic" proposed sea level project in Panama as "probably at this time actually impossible, dangerous, and unproven" as a realistic proposition.

The latest communication concerning the indicated book and the construction of a proposed sea-level canal in Panama is from Dr. Howard A. Meyerhoff, recently the chairman of the department of geology of the University of Pennsylvania. Because Dr. Meyerhoff's letter is illuminating and reflects the disciplined judgment that comes only from a background of study, experience, and observation, I quote it as part of my remarks and commend it for reading by all concerned with the canal question:

TULSA, OKLA.,
June 18, 1969.

DEAR MR. FLOOD: Some months ago, you sent me a copy of a letter referring to the book by Teller, et al., on The Constructive Uses of Nuclear Energy. You asked for my opinion on its contents, specifically with reference to the feasibility of blasting a sea-level canal across some point in the isthmus or elsewhere in the "narrows" between the American continents.

I am sorry to have been so long responding, but I have had trouble fitting the assignment into an over-committed schedule. I cannot pretend to understand the physics involved, but I can comment on the engineering and geological impracticalities of the scheme. As you know, I have worked in Panama and am familiar with its topography and geology; and up to the time of my retirement two years ago, I taught engineering geology at the University of Pennsylvania.

First, without writing an essay on the subject, there is no other site than the Zone where a sea-level canal could (or should) even be considered, although there are 4 where a lock canal of greater length could conceivably be built.

Second, the use of nuclear explosives for major excavations has not even emerged from the incipient experimental stage; to employ the method for a major engineering project would, at this point in time, be folly. You are, I am sure familiar with the fact that the method was given prolonged consideration for the much simpler project of harbor excavation in Australia, and was recently abandoned because of dubious feasibility.

Third, a substantial—and formidable—part of the Zone, as well as of alternative interoceanic routes, consists of geologically young, poorly consolidated and unstable sedimentary rocks. At present canal elevations, slope instability resulting in slides has caused no end of trouble. An increase in the depth of certain of the cuts (Culebra, for example) by the difference between present elevation and sea level will increase the frequency and the volume of the slides during Panama's rainy season, roughly, by the square of the increase in depth. California's troubles during the torrential rains of last winter (and ante) illustrate the inability of sophisticated engineering to cope with the problem. Downward compaction of unstable material by nuclear blasts would actually aggrevate the problem, as can readily be shown.

All these points can be elaborated, but I trust this summary will be helpful, even though very tardy.

Sincerely,

HOWARD A. MEYERHOFF.

RETIREMENT OF LT. GEN. WILLIAM F. CASSIDY, CHIEF OF ARMY ENGINEERS

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

Mr. FALLON. Mr. Speaker, Lt. Gen. William F. Cassidy, the Chief of Army Engineers and one of the finest gentlemen in the Federal service, will retire August 1 of this year. General Cassidy, a distinguished soldier-engineer, has been responsible for many solid achievements as the director of the nationwide water resource development program of the Corps of Engineers since his appointment as Chief of Engineers in July 1965.

During General Cassidy's tenure as Chief of Engineers, our Nation has grown in strength, nurtured by a water and related land-development program that has exceeded a billion dollars annually. Even though our rivers and harbors work has been slowed due to pressing demands for tax dollars on our military front, the Corps under General Cassidy has brought nearer to completion many projects in our big river basins.

The Missouri River stands on the threshold of being flood-free thanks to the chain of dams which today is storing a record 66 million acre-feet of water. Work in the lower basin is transforming Kansas and Missouri into lake-dotted regions of flood control and other multiple-water uses.

The Southwest, long a staging ground for dust and crop failures, is rapidly being developed with corps built reservoirs on the increase. And the Arkansas River, where red water once was the only thing moving, today hears the whistle of towboats as commercial navigation pushes upstream bringing new industries and opening up a new economic frontier.

The Ohio River Basin, a bastion of industrial might, but also the scene of aging locks and dams, is now taking on a new look through a modernization program being pushed as rapidly as appropriations will permit by General Cassidy and his Corps of Engineers.

The Pacific coast locked in a race with a booming population is being boosted in the North by a growing list of dams on the Columbia River and its tributaries. California points with pride to its model water resources program which is receiving major benefits from flood control and storage projects built by the Corps of Engineers. The disastrous storms in the winter of 1968–69 and the spring of 1969 in California caused considerable damage. But Corps flood-control projects, which cost the Federal Government $872,000,000 to build, prevented damages in the amount of $1,600,065,000. The Atlantic Seaboard also reflects General Cassidy's philosophy of "Let's get on with the job." The excellent Chesapeake and Delaware Canal project in Delaware and the State of Maryland is testimony to this fine attitude. Floodwalls and flood control dams have been built in New England to protect that area from the drenching rains that follow in the wake of hurricanes. Great strides are also being made in building protective works along coastal areas to ward off destructive tidal flooding.

Since General Cassidy has been at the helm, the corps has participated and continues to be involved in a new series of studies and comprehensive planning undertakings which eventually will encompass every major region and river basin in the country. The innovative Chesapeake Bay basin model study is illustrative of this fine work being performed by the corps.

Like many others who work in the service of their country, General Cas-

sidy has felt the sting of criticism, much of it in the controversial and sensitive areas of conservation and preservation. But the general quietly and with dignity is winning over many critics by demonstrating that the corps is devoting much effort to the preservation and enhancement of the esthetic and ecological values of natural environments in the planning and building of all corps projects.

General Cassidy leaves behind a booming new recreation industry that has sprung up almost overnight. During 1968 attendance at corps-built lakes reached 227 million visits—more than 23 million over the 1967 total, the previous all-time high.

The Chief also leaves a solid portfolio in other water resources dividends. Today the corps has 53 reservoirs which provide a dependable yield of nearly 3½ billion gallons of water per day to cities, towns, and rural areas with more than 3½ million people. Hydroelectric power generated at corps dams produce about a fifth of the Nation's total hydropower.

One of the great accomplishments of General Cassidy and his corps was recorded this spring in answer to the President's call for a coordinated national emergency effort to meet the immediate threat of severe flooding in 25 States across the northern half of the Nation and down the west coast to California. Working under the auspices of the Office of Emergency Preparedness, the corps quickly launched Operation Foresight—an emergency construction program deploying men and large stores of flood-fighting equipment and supplies throughout the threatened areas. Although final returns have not yet been recorded, the corps spent $15 million, thus far, damages prevented total $250 million.

General Cassidy leaves a glowing record of accomplishments, a topflight engineering and construction agency, and a well-stocked inventory of water resource projects. In his major responsibility as the supervisor of all military engineering functions in the Army—you might call him the Army's systems manager—he has counseled, advised, and assisted in the tremendous volume of construction and combat support contributed by Engineer troops to our forces and our allies in Southeast Asia. He also carried the added responsibility for the expanded military construction program at home and in other parts of the world.

General Cassidy's retirement will mark the end of a distinguished military career that started in 1931 when he was commissioned in the Army Corps of Engineers upon graduation from the U.S. Military Academy, West Point. Prior to his appointment as Chief of Engineers, General Cassidy was Commanding General, U.S. Army Engineer Center at Fort Belvoir, and Commandant of the Engineer School, Fort Belvoir, Va., from 1963 to 1965. He was Deputy Chief of Engineers from 1962 to 1963 and for the 3 preceding years, Director of Civil Works, Office of the Chief of Engineers.

The general's tremendous background of experience includes prior assignments as Division Engineer, South Pacific Division, and Senior Logistics Adviser to the Republic of Korea.

Mr. Speaker, as chairman of the Committee on Public Works—the committee which has jurisdiction over the civil works activities of the Corps of Engineers—I speak for his many friends in saluting him for his achievements and wishing him continued health, happiness, and success in the years to come.

VIETNAM

(Mr. CLEVELAND asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. CLEVELAND. Mr. Speaker, during the Fourth of July recess, I went to Vietnam. Because we are all intensely interested in our Nation's commitment there, I would like to share with my colleagues a rather hastily written and sketchy report on my trip; prepared for my Biweekly Washington Report. We all thirst for knowledge and information about Vietnam, so I think it is appropriate to share some of my impressions.

The report follows:

WASHINGTON REPORT NO. 8

In my last Report, I indicated I would vote for the surtax extension and gave my reasons. Also that I delayed a trip to Vietnam to be present for the vote. At the time, I did not realize just how important each vote would be. The final vote was 210–205, following a bruising debate, which probably influenced nobody, and some arm-twisting that probably did.

TRIP TO VIETNAM

My trip to Vietnam was most successful, interesting and informative. Last year, following my trip to the Far East, I reported that "generally speaking, the motivation and morale of our troops appear good. They are troubled, however, by an apparent lack of support on the home front. . . ." This observation still obtains. Also in my Report last year, while commenting on the fact that my trip was worthwhile, I commented that one tends to become a bit ingrown, and that person-to-person contact and sharing of experiences with persons involved in one of the best potentials for a better world. This observation, too, still obtains.

Space does not permit a full account of my trip, but here are some of the highlights:

I flew to Vietnam (at my own expense) by private carrier under contract to the military via Travis Air Force Base, Honolulu, Guam, to Bien Hoa. On the return trip, via Okinawa, Honolulu, Travis, and from San Francisco back to Washington. On the plane, I had the opportunity to meet and talk with many military personnel. During layovers, there were informative tours of the bases.

THE DELTA

In the Delta area, from which the 9th American Infantry troops are now withdrawing, I visited 4th Corps Headquarters for orientation. From there I went to Sa Dec, a province capital (provinces in Vietnam are the rough equivalent of our states), for a first-hand look at our pacification and economic development activities. These are usually conducted by AID officials. There is a wide diversity of opinion as to how successful these efforts have been. On balance, I received the distinct impression we are making some real progress. A good deal depends on the area, of course, and whom you talk to. Among the more encouraging statistics is the fact that in 1954 only 5% of eligible students were in primary school; the figure is now approximately 80%. Approximately 75% of the Vietnamese are doing as well or better than before the war in regard to such matters as wages, living conditions, food, and material possessions. A land-reform bill, which will vest title in a large number of tenant farmers, has been introduced in the National Assembly and passage is expected this summer.

While in the Delta, I visited the 9th ARVN (Vietnamese) Division at Regimental, Battalion and outpost levels. The key to continued withdrawal of American troops rests with the skill with which we help train South Vietnamese troops. Here again, there is a broad spectrum of opinion as to how successfully we are accomplishing this. Veterans of Korea, and I spoke to many, repeatedly assured me that the South Vietnamese have as good or better potential than South Koreans. But it will take time. There is a haunting fear frequently expressed, and at all levels, that impatient and uninformed public opinion may trigger a precipitous withdrawal, undoing what has been done. All agree the first step has been wise, a first step towards shoving the bird out of the nest, so to speak—the de-Americanization of the war that I urged following my visit last year. While in the Delta, I was privileged and proud to join with a Province Chief in the presenting of military medals to members of a River Patrol, who also took me for a trip on one of their patrol boats. Otherwise, my travels were almost entirely by helicopter.

SAIGON AND THE NATIONAL ASSEMBLY

During the time I spent in Saigon, I visited a Fourth of July reception hosted by Ambassador Bunker. Later I met with him privately for more than an hour—a most informative and encouraging conference. Of particular interest was my visit to the South Vietnamese National Assembly and meeting several of their Senators and Deputies. Deputies are elected from areas, usually provinces. Senators on a country-wide basis. One constructive suggestion that I intend to act on is to work out a method by which the United States Congress can establish a liaison with the South Vietnamese Assembly. By the sharing of experiences, I believe we can help them along the trail toward developing an effective legislative branch of government. Not that our own Congress, so badly in need of reorganization and reform itself, is any shining example, but I do feel that some of our experience and staff know-how would be helpful to the South Vietnamese Assembly during its infancy.

THE 3D BATTALION, 197TH FIELD ARTILLERY

Perhaps the highlight of my visit was the day I spent with all elements of New Hampshire's National Guard F. A. Battalion in the 3d Corps area. For tactical reasons, the firing batteries have been spread out to form widely-dispersed fire support bases. One of them, in northern Phuoc Long Province, is within range of the Cambodian border. It is referred to as Fire Base Ann. Three guns of "B" Battery are located there in support of Special Forces on constant search missions. The search is not only for North Vietnamese and Viet Cong troops, but just as important, for their caches of supplies. Those caches are built up painstakingly over long periods of time and then used as a base for troops quickly infiltrated from Cambodia to mount battalion and regimental (main force) attacks. Troop morale was good and our commanders had nothing but praise for the excellent performance of the New Hampshire men. When they return in September, I hope they do so as a group and with their colors. The Granite State should extend a proud welcome. While visiting the 25th Infantry and the 1st Cavalry Divisions, I met many New Hampshire men and was greatly impressed by the morale, technical proficiency

and uncanny new techniques and tactics we have adapted to the situations encountered.

NATIONAL CHILD ABUSE ACT

(Mr. PODELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PODELL. Mr. Speaker, it is becoming increasingly obvious that child abuse in the United States is growing into a major problem. Strictures of modern society are often too much for a good many marginal people. When they happen to be parents of small children, they too often turn upon such helpless youngsters, venting their feelings upon them. In case after case, the evidence is massive and damning. Our country is allowing a situation to come into being almost unnoticed, which, if unchecked, will continue to warp and perhaps ruin or end the lives of thousands of youngsters.

It is imperative for our National Government to act swiftly before this situation is completely out of hand. A set of national standards can be set up through passage of the National Child Abuse Act of 1969, H.R. 11585, which my distinguished colleague (Mr. BIAGGI) has pioneered in this body. I am most gratified to join him in sponsorship of this measure.

More often than not, Mr. Speaker, there is intent to aid neglected and abused children. Almost every jurisdiction and program contains such an element. Funds, however, are sadly lacking. Programs reflect this shortcoming. Without financing, we shall possess only good intentions, and the problem will continue to grow.

This measure would provide necessary funds with which to mount a national effort in the area of child abuse.

In cases where parents are on welfare, the bill calls for immediate cutoff of welfare funds if child abuse is proven. These funds, in turn, would be turned over to an agency or person charged with responsibility for the child.

If either parent of an abused child is found to be a drug addict, the bill provides for immediate mandatory removal of the child. I feel these provisions are fair and necessary. Facts increasingly coming to light are shocking, particularly to a society which gives such blaring lip-service to morality. Shall we not act as we speak? It has been stated by the medical director of one of New York's major hospitals that one or two children are killed daily by their parents in this Nation. Child abuse, therefore, is reaching epidemic proportions. More than 9,000 cases were reported nationally last year alone. The trend is constantly up. Think of how many cases which were completely hushed up.

This bill would also provide immunity from civil or criminal liability to any person reporting a case of suspected child abuse. Often, this is the only manner in which such cases can be brought to attention of appropriate authorities. A child, young, frightened, and in a state of shock, is hardly likely to go to authorities. In fact, that is probably the last thought to enter the mind of such a person. Some State laws still designate the medical profession as the reporting group rendering such a clause essential.

The final noteworthy section in the measure would establish a child identification system requiring the Federal Government to issue social security numbers to all newborn babies. It would then become mandatory for all hospitals and doctors to file the numbers of children who have been treated for abuse or neglect.

Mr. Speaker, I see precious little reason for debating this measure in great depth. Our problem is obvious and worsening. Our responsibility is clear. Our solution is immediately available. Its cost would be minimal. All we have to do is act accordingly on this excellent piece of legislation.

WHY DO AMERICA'S CONSUMERS PAY DOUBLE THE WORLD PRICE FOR OIL?

(Mr. PODELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PODELL. Mr. Speaker, our oil industry is the coddled darling of the American tax structure. No single segment of their tax privileges is more essential to their continuing grip on the American consumer's jugular than our present system of mandatory oil import controls.

Established in 1959, their original purpose was to guard a lush American market against a flood of cheap foreign oil. Such a danger then seemed imminent because of proliferation of major oil finds and their swift commercial exploitation. Today these controls are used to reap a rich harvest of extra dollars from America's consumers. It is blatant exploitation, to say the least. These controls are now as necessary as Carrie Nation at a distillers convention.

Why should our consumers be forced to pay nearly double the world price for oil? This is a proven figure. A barrel of light Iranian crude can be delivered to our east coast for about $2 per barrel. It costs $3.78 for a barrel of east Texas sweet crude to be brought in by tanker to the Philadelphia-New Jersey area.

We are told that national security is the reason, a phrase which covers more than one scoundrel's activities. Our country produces more than a quarter of the world's oil, consuming more than a third of world production. We are told we dare not become dependent upon foreign oil sources. Yet evidence accumulates that, despite massive subsidies, our industry cannot keep pace with domestic demand. It is increasingly obvious that such subsidies are costing the public between $4 and $7 billion annually. Testimony to this effect has been given and proven out before the Congress.

Obviously, since their inception, these quotas over the past 10 years have cost the American buying public in the area of $40 to $50 billion. These massive subsidies come straight from the pockets of every American consumer. Bringing in cheap foreign oil would lower prices swiftly on every oil product sold the public.

Today we are allowed to obtain only about 20 percent of our oil from foreign sources. We now consume 12 million barrels daily, and our needs by 1980 will exceed 18 million barrels daily. Our support of artificially high domestic prices is costing us vast sums—all going as pure profit to oil companies.

The artificial wall against cheap foreign oil was supposed to provide incentives to domestic explorers and producers to expand domestic reserves. Proof has been brought forth in testimony before Senator HART'S Subcommittee on Monopoly and Antitrust showing that exploration and drilling in our country have actually declined in the 10 years since mandatory curbs were imposed.

We have encouraged wasteful domestic production while subsidizing exploration and exploitation abroad. Couple these facts with foreign tax credits, domestic and foreign depletion allowances of 27½ percent, the highest allowed, and the rest of the range of oil tax privilege. The American consumer is a cow standing quietly as it is consistently milked by the oil industry. Half the oil moving in world trade is foreign oil American companies produce and sell, all subsidized by the taxpayer.

Dropping import barriers substantially is eminently sensible. Oil is available, controlled by American companies. It can easily be shipped to the United States in quantity, lowering prices here in short order. Millions of Americans would benefit, for a change, at the expense of our leech-like oil industry. Our domestic oil would be saved and available for any emergencies, such as in the case of national defense.

Otherwise, we see a total picture emerging which borders on the fantastic. Taxpayers are subsidizing foreign investment by our oil companies, which in turn are deliberately keeping their oil out of our domestic market to maintain high prices. Simultaneously, they are taking a systematic series of tax breaks. It boils down to a simple equation. What is theirs is theirs. What is ours is negotiable.

Mr. Speaker, today is the last day for filing opinions on possible revision of our oil import quota system with the Cabinet Task Force Committee headed by Secretary of Labor Schultz. All interested parties have filed, including the petrochemical industry—except the oil industry. It is worth noting further that not a single oil company has filed. But, of course, there is no conspiracy—is there?

THE POT DEBATE

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, yesterday, we had read to us President Nixon's message setting forth his plan to deal with the problem of narcotic usage in this country. That problem is so overwhelming and has caused so much personal heartache to so many families that

we must all welcome any attention paid to this problem.

While I applaud much of what is in the message, I do want to suggest to the President and his advisors that they have committed the same error so often made in the area of drug abuse. Their error is in failing to make a distinction between the use of hard narcotics such as heroin and the use of marihuana. It is estimated by the President that those using hard narcotics such as heroin are estimated to be in the hundreds of thousands. The estimate of those using marihuana is in the millions. The difference in usage and the problems involved do require that different approaches be tried. The use of hard narcotics has been demonstrated scientifically to be adverse to the individual and to society. Few, if any, have any doubts respecting its destructive qualities. On the other hand, there is no overwhelming point of view which has been accepted by the public as controlling in the area of marihuana usage.

It is because the public is confused and desires some definitive report on this subject that on April 14 of this year I introduced a bill to establish a Presidential Commission on marihuana—a Commission which would take a new look at marihuana use and educate itself and the American people. That Commission would conduct a study of marihuana including but not limited to the following areas:

First, the extent of use of marihuana in the United States to include number of users, number of arrests, number of convictions, amount of marihuana seized, type of user, nature of use;

Second, an evaluation of the efficacy of existing marihuana laws;

Third, a study of the pharmacology of marihuana and its immediate and long-term effects both physiological and psychological;

Fourth, the relationship of marihuana use to aggressive behavior and crime; and

Fifth, the relationship between marihuana and the use of other drugs.

It appears that without an authoritative study concerning these questions, there is little hope that the criminal penalties for the use of marihuana will be significantly changed. The present Federal penalties for first-offense possession include a minimum of 2 years in prison to a maximum of 10 and for second-offense possession 5 years minimum to a maximum of 20. Can anyone seriously suggest at this point that the millions of young people who have violated the law and used marihuana be subjected to such harsh criminal penalties?

There are those who, without the benefit of scientific inquiry, advocate the legalization of marihuana use. I think such precipitous action taken without being certain of the medical, social, and legal consequences is just as wrong as the other extreme which mandates harsh criminal penalties to the user, ruining the lives of tens of thousands of our youth of today and leaders of tomorrow. Because there is no definitive report to support either of these positions, it is incumbent to ascertain what the facts are according to the best medical and scientific evidence now available to us.

And it is for that reason primarily that I urge my colleagues to support H.R. 10019 in order to establish the facts becaues it is only when we have the facts that we can rationally deal with any subject. Tens of thousands of young people in this country have been arrested and convicted for using marihuana and they have done so in my judgment because they refused to accept the point of view buttressed by our harsh criminal laws that the use of marihuana and its consequences is no different than that of heroin. I think it is high time that the best scientific minds in this country decide what the facts really are and give those facts to the American public.

This subject has been commented upon by the noted writer, William F. Buckley, Jr., as recently as July 12 and, because I believe his comments to be very relevant, I am including a copy of his article which appeared in the New York Post of that date:

THE POT DEBATE

Unfortunately, the dispute over marijuana has become highly idealogized, and this is true of both sides, i.e., true of many of those who favor the retention of stiff penalties against marijuana smoking, and true of many of those who believe in legalization. Unfortunately, because there is obviously a pressing need to know more about a drug which, according to the latest college poll, has been tested by approximately 50 per cent of the undergraduate population.

Newsweek has said of the great marijuana war, "It's the clincial version of should we stay in or get our of Vietnam." One doctor wrote recently, "Marijuana is much more a symbol than it is a drug, and this accounts for most of the extremism, polarization, and confusion. Along with the international Communist conspiracy, the marijuana mythology is a primary religious belief, the primary source of action and attitude of many Americans. The stepping-stone theory has as much validity as the domino theory in our foreign policy, both being deliberate creations of those who want to perpetuate policies that are otherwise untenable by adding to fear and hysteria."

Such analysis is of course left-Birchism, but it is significant that it is being made, and discouraging to any attempt to figure out just what it is that's going on, which we need sorely to know. Because it appears to be true, as Dr. David Smith of the Haight-Ashbury Medical Clinic reports, that "Marijuana has become one of the major vehicles in America's generation gap. Alcohol is the social drug of this generation and pot is the social drug of the next generation."

The so-called "stepping-stone" theory holds that those who begin with marijuana finish in hell. That they graduate from marijuana into narcotics. Dr. Robert Baird, director of the Haven Clinic in Harlem, is most emphatic on the point. "There's not the slightest doubt in my mind that 95 per cent of heroin addicts start with marijuana. . . . Searching for bigger kicks, they go on until they're on heroin."

Dr. Smith believes this to be utter nonsense. He contends, and the figures as they appear to a layman would seem to support him, that the percentage of marijuana smokers who graduate to heroin is small; about 20, roughly speaking, and (altogether coincidentally?) the same percentage as drink whiskey and then go on to alcoholism.

Recently the Supreme Court sprang Dr. Timothy Leary, the drug guru who was caught bringing grass into the country from Mexico. The court ruled that the law under which Leary was convicted was unconstitutional, because it required that someone importing marijuana pay a drug duty. But anyone paying that drug duty revealed himself to local authorities as having imported the stuff to begin with, exposing himself to the dire penalties of the individual states.

Meanwhile, prosecutions are likely to be tougher rather than less so. Because federal prosecutors had the discretion of putting importers of the drug on probation (they are over-whelmingly students coming in from abroad) for failure to pay the customs tax. Now they must turn them over for prosecution by the local states, many of which forbid probation.

Again, grass may prove to be a way station to hell, but it would appear plain that the marijuana laws are not much more effective than Prohibition. Indeed they may prove to be no more effective. Those who desire pot probably find and smoke it in about the same proportion as those who desired booze found and drank it. We need a crash program of testing and investigation, and above all, the de-ideologization of the arguments.

COAL MINE HEALTH AND SAFETY

(Mr. HECHLER of West Virginia asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HECHLER of West Virginia. Mr. Speaker, my always colorful friend, George J. Titler, vice president of the United Mine Workers of America, is a well-beloved man who has fought many a good fight for the coal miners of this Nation from the days of bloody Harlan down to the present. All the good intentions of vice president Titler, however, are submerged by the fact that his superior, W. A. "Tony" Boyle is the actual president of the United Mine Workers of America and has the final say-so. Recently, I wrote a letter to Mr. Boyle, dated July 8, concerning the pending coal mine health and safety legislation, as follows:

JULY 8, 1969.

Mr. W. A. BOYLE,
President, United Mine Workers of America, Washington, D.C.

DEAR MR. BOYLE: You are as aware as anybody that the coal miners of West Virginia and the nation are in a restless mood. They know that in past years many promises of protection have been freely bandied about, yet when legislation was finally written it has been weakened and riddled with loopholes by the coal operator lobbies.

This year the miners are determined that their health and safety be fully protected through effective legislation. To succeed in their efforts, the muscle of the miners must be shown on Capitol Hill to counter and overcome the extremely effective lobbying which is going on by the coal operators.

Today (Tuesday), the Dent Subcommittee is meeting in executive session. Tomorrow (Wednesday) the full Senate Committee on Labor and Public Welfare is meeting in executive session. Both groups will be making crucial decisions this week on the form and substance of the bill—decisions which will determine whether the bills will be strong or weak when they reach the House and Senate floor later this month for debate.

At this critical juncture, all those devoted to effective protection of the coal miners must join forces to press for a strong law without weakening loopholes. The United Mine Workers of America can make the

difference if you would direct every available man to come up to Capitol Hill and personally contact every member of the House Subcommittee and the Senate full committee on behalf of a strong bill. Furthermore, nothing would be more effective than to charter several busses to bring miners on vacation to the Capitol to work on behalf of effective legislation for their own protection.

I shall not attempt to affix blame for the dismally small turnout of miners at the Jefferson Memorial on Independence Day. It seems to me that if you could send observers to that rally you could have also sent some participants to join in the effort to help all coal miners. But this week you can summon, mobilize and start rolling toward Washington the men who could really make the difference between a strong bill and the same kind of dishwater compromise which has been slopped in the face of the miners in the past.

I have personally paid the way of several miners to come to Washington this week. Can your vast organization afford to do less? Senate and House members tell me they are under heavy pressure by coal operator interests. Why aren't they under the same pressure here and now on behalf of the rank and file of coal miners whose lungs, limbs and lives are on the line? What are you doing about getting effective legislation? Are you going to pass up this opportunity, and confirm the charges which some are making that you are really in league with the operators? I assure you that if you do not act, the miners and their new leaders will act for you and history will pass you by.

It is evident that any effective legislation must include some of the following principles, which I hope that with your help and the muscle of the miners brought to Washington we can persuade Congress to enact into law:

1. Mandatory Penalties To Assure Compliance.

This means that violations of the law must be punished, and not simply leave discretion as to whether they be punished. Penalties should be stiff enough to deter negligence, and should stick instead of being brushed aside. Firm authority to close mines which violate safety and health standards must be written clearly into the law.

2. Coal Dust Standard.

Coal dust produces black lung, enhances the danger of explosions, and limits visibility. We must start with the premise of what injures a coal miner's health and safety—and not take the position that the industry has some kind of vested right in economics or technology to destroy a man's lungs. The Surgeon General has testified that 4.5 milligrams per cubic meter of coal dust produces potentially 50% more cases of black lung than 3.0 milligrams. Some mines can reach 3.0 milligrams right now and must be directed and encouraged to do so. If industry undertakes an all-out effort, a level of 2.0 milligrams should be attainable within three years; even beyond that, a dust level of 1.0 milligrams should be the goal within five or six years.* Any waivers should be accompanied by a rigid requirement to submit engineering plans and specific timetables for progressive reduction of dust levels over the shortest possible time span. The cost to industry can never exceed the cost in human debris stricken by pneumoconiosis. Any miner who shows evidence of early development of pneumoconiosis should be allowed to work in areas where the dust level is no more than 1.0 milligrams per cubic meter of air. Respirators are no substitute for strict coal dust standards.

3. Board of Review.

Coal operators have testified strongly in support of an independent Board of Review which could nullify efforts of inspectors and health and safety officials to protect the coal miners. Judicial review already provides sufficient protection against arbitrary administrative action, and a Board of Review would be a serious loophole to overturn efforts to move effectively to protect health and safety.

4. Elimination of distinction between gassy and non-gassy mines.

A string of accidents in so-called non-gassy mines has proven that coal miners can be killed just as dead in these mines using dangerous, non-permissible electrical equipment. Here again the argument is economic vs. human, and we have had enough tragedy in the coal fields to dictate that for once Congress must declare that coal miners working in all types of underground mines deserve to be protected as human beings. The cost of new equipment should not outweigh the cost in human lives. Every time mine safety bills are debated, tears are shed over the poor little mine-owner who can't afford safe equipment and might be driven out of business. It's about time some tears are shed for the coal miners who are killed and crippled in such mines.

5. Administration by Secretary of Labor, and by Public Health Service.

It is natural that the Bureau of Mines and Secretary of the Interior should wish to maintain jurisdiction over enforcement of the health and safety features. No law, however strong, can be effective if it is administered on behalf of production rather than protection, as has been the case in the past. There should be a clean sweep of tired old inspectors, production-oriented methods of safety enforcement, and an entirely new approach is demanded if the coal miners are to be protected adequately. The Surgeon General should be given responsibility for x-ray and other physical examinations, including application of the results of updated research on pneumoconiosis. The Secretary of Labor should be given clear responsibility for enforcing safety standards.

6. Right to sue should be given to coal miners in case of owner or operator negligence.

One of the greatest incentives for the owner and operator to enforce health and safety requirements would be to empower the coal miner to file suit, with trial by jury, for accidents or impairment of health due to owner or operator negligence.

Sincerely,

KEN HECHLER.

*Ultimately, we should press for 0.2 milligrams within eight years.

Mr. Speaker, on June 20, Vice President Titler wrote me a rather interesting letter, in the course of which he stated:

I demand you have this letter inserted in the Congressional Record.

It is a great pleasure for me to honor Mr. Titler's subtle suggestion and print the entire text of his June 20 letter, along with my reply dated July 11, Although Mr. Titler's letter was widely circulated in the newspapers 3 days prior to my receipt of the original text, I have made certain that he received my response several days in advance of its publication:

WASHINGTON, D.C., *June 20, 1969.*

Congressman KEN HECHLER,
House of Representatives,
Washington, D.C.

SIR: I am getting tired of reading your lies in the newspapers. You are apparently some kin to Herr Goebbels who believed that if a lie was told often enough people would eventually believe it.

You and your two cronies, Drew Pearson and the instant expert "The Pied Piper of Lebanon" are what Harry Truman said about Drew Pearson, except you are also a prismatic liar.

You keep harping about my drawing $40,000 per year retirement pay. Nothing could be further from the truth under our present plan.

For your information I find you can retire from your position as Congressman (if you accept the government plan) at a minimum of $12,500 per year tax free, after only twelve years of service. You object to my drawing less than $10,000 after taxes after forty years service. If you do subscribe to the government plan I would be pleased to trade pensions with you. Many labor unions have much more liberal retirement plans than our union.

The resident officers of the United Mine Workers of America have not had a raise in wages in the last twenty-one years, and refused a raise at the 1968 convention. I see no place in the record where you refused your $12,500 raise making your salary $42,500 per year. It is now time for you to "fish" or "cut bait."

You and your cronies have been telling lies and half-truths continuously about the Welfare and Retirement Fund, about safety and about "black lung", in hopes of destroying the confidence of the coal miners in their officers.

You laud John L. Lewis in one breath as a great leader and call for an investigation of his welfare fund in the next. Make up your mind; was he good or evil? "Consistency thou art a jewel".

You criticize the union for owning a bank with its profits redounding to the benefit of the miners; you criticize the Welfare Fund for having too much inactive money in its checking account; you aver that the union does nothing about safety and Pneumoconiosis, which is entirely contrary to the record. In fact you are a "monkey searching for a flea". You are trying to prove to the coal miners of West Virginia that you are a "Do-Gooder", and the officials of the United Mine Workers of America are "No-Gooders".

You insult the intelligence of the miners with your distortions. You are a square peg in a round hole. I resent your trying to scab me out of my job.

Your "hot air" statements, you inserted in the Congressional Record, is only organic mulch which has cost the taxpayers of America thousands of dollars for printing with no tangible benefits.

What sinsister motives do you have in mind? Who is paying you; and/or for what are you running?

I am very much interested in helping you out—*way out!*

I expect you and your two buddies to get your facts straight, and immediately issue a public apology so the public will know what kind of prevaricators you are. Inasmuch as you have inserted in the Congressional Record at taxpayers expense many articles, statements and letters regarding the candidacy of many seeking office in the UMWA, I demand you have this letter inserted in the Congressional Record.

I will put my record for integrity and veracity against the instant experts or any other muckracker any day of the week.

Your reply is expected.

Sincerely,

GEORGE J. TITLER.

JULY 11, 1969.

GEORGE J. TITLER,
Vice President, United Mine Workers of America, Washington, D.C.

DEAR GEORGE: Your letter of June 20 puzzled me both by what it said and what it did not say.

How do you figure that a Congressman with 12 years of service can retire "at a minimum of $12,500 per year tax free"? You surely should check to find out the facts,

which are that all Congressmen must pay in 7½ percent of their salary in order to draw any retirement, that it will be at least five years before I will be eligible to draw retirement, and that only the actual amount paid in is received back tax free. This means that after two years of drawing back what I have put into the retirement fund, I will be paying full taxes on all my retirement pay. So why do you make such outrageous statements without checking the true facts?

Second, you object to my stating that you will be able to draw $40,000 per year retirement pay. You deny this, despite the fact that the official records at the Department of Labor clearly stipulate that if you serve ten years as an international officer "who has served as International President, International Vice President, and/or International Secretary-Treasurer", then your pension shall be at the rate of your annual constitutional salary. Perhaps your outraged denial that you can draw your full $40,000 salary "under our present plan" simply reflects your fear that you will not be re-elected as Vice President, and thereby not serve out the full ten years necessary to qualify for that plush 100-percent-of-full-salary, non-contributory pension. The pennies, nickels and dimes of UMW dues-paying members have apparently been taken out of the UMW Treasury and set up in your National Bank of Washington as a special kitty just to pay the top plush retirement pensions of the fat cats in your headquarters—meaning you and Mr. Boyle and Mr. Owens.

Since you didn't, haven't and won't contribute one red cent of your salary toward your retirement, of course every penny of your plush retirement fund when paid you will be taxed. All Congressmen, including myself, pay 7½ percent of our salaries into our retirement fund. Therefore, we will be getting back that 7½ percent if and when we retire in the future, and then we will pay taxes on all the rest. So your comparisons are not very accurate, my good friend.

You wrote me: "I see no place in the record where you refused your $12,500 raise making your salary $42,500 per year." Let me tell you some of the ways I have spent that $12,500 (about half of which goes for taxes):

1. Starting off the year, I contributed $1,000 of my own money to the Black Lung Association to help them get the law through the West Virginia Legislature to protect and compensate miners afflicted by pneumoconiosis.

How much have you contributed of your salary to aid the cause of black lung at the state level in West Virginia?

2. At my personal expense, I financed a trip to Washington, D.C. by five of the widows of the Farmington disaster on February 24, who came here to urge Secretary of the Interior Hickel to retain John F. O'Leary as Director of the Bureau of Mines and urge him to support strong mine health and safety legislation?

How much of your $40,000-a-year salary have you personally contributed in the fight to retain John O'Leary and support strong mine health and safety legislation?

3. I personally paid the expenses out of my salary to fly Mrs. Willis Jessie and her foster mother to San Antonio, Texas, and Miami, Florida, and return to West Virginia with her three-year-old child who had been hi-jacked on a plane to Cuba. I did this because Mrs. Jessie is a resident of Holden, West Virginia, and her whole family are coal miners, active and disabled.

How much of your $40,000-a-year salary have you personally donated to help active and disabled coal miners who are in trouble?

4. On March 19 and March 20, I personally paid the expenses of three of the Farmington widows, Mrs. Kaznoski, Mrs. Snyder and Mrs. Rogers to fly from Clarksburg to Washington to testify before the Senate Subcommittee considering the mine health and safety bill. Their testimony was very effective.

How much of your $40,000-a-year salary have you personally contributed to bringing witnesses to Washington to testify?

5. On March 19, and March 20, 1969, I personally paid the expenses of three Logan County disabled coal miners afflicted with black lung to fly to Washington and testify before the Senate Subcommittee. Their names are Otis Ratliff of Davin, W. Va.; Huda Bailey of Mount Gay, W. Va.; and Henry Mann of Amherstdale, W. Va. I paid their plane fare round-trip, made arrangements for them to be picked up and driven to their homes, and paid their meals and hotel accommodations while in Washington presenting very effective testimony.

How much of your $40,000-a-year salary have you spent personally to bring home to the Members of the Congress the real facts concerning those who actually suffer from black lung?

6. At my own personal expense, I have travelled the length and breadth of West Virginia to talk with coal miners about the need for stronger mine health and safety legislation. Among the places to which I have travelled, always at my own personal expense and not reimbursed by the government, are Logan, Beckley, Clifftop, Gilbert, Morgantown, Farmington, Princeton, Vivian, Oak Hill, Madison—and many other communities large and small. When I fly from Washington to make these trips, I fly tourist class; I sometimes see you flying on the same planes and you are always flying first-class. Congressmen can be reimbursed for one trip per month while Congress is in session, so long as it is on official business; none of the trips I have taken to the coal fields have been made at government expense, and I wonder just how many of your own trips were made at UMW expense.

How much of your $40,000-a-year salary have you spent personally to travel to the coal fields and acquaint the people with the facts on the need for coal mine health and safety legislation?

7. At my personal expense, in April, I flew to San Antonio, Texas, rented a car and drove to the Mexican border at Eagle Pass, Texas, and proceeded to the site of the major coal mine disaster which killed over 160 coal miners in Mexico. While on the scene, I also visited and inspected a comparable mine in the vicinity and spent considerable time underground.

How much of your $40,000-a-year salary have you spent personally to travel to other countries to get the facts on what is needed to make our mines safer?

I have not hitherto made public the extent of my personal expenditures out of my salary on behalf of the coal miners I represent and on behalf of strong and effective coal mine health and safety legislation. I can now assure you that during 1969 the amount of my salary increase has already been more than expended personally on the above and other related projects designed to help coal miners. I consider this my personal as well as official duty.

Speaking of what you term "lies", what truth is there in the statement made by UMW President W. A. Boyle, quoted in the Washington Evening Star of June 25, 1969, that the expenses of the World Premiere of "The Bridge at Remagen" (based on my book) were paid by the American Petroleum Institute? I wonder if you would care to repeat and endorse this libelous statement made by your immediate superior.

Finally, it has become apparent from remarks made to me by a number of UMW officials who had a half-hour conference in the Capitol on July 10 that your organization is now afraid my efforts might produce a bill which is "too strong". Are you personally afraid that a bill which genuinely protects the health and safety of the coal miners might be dangerous? I'd be interested in your views.

Sincerely,

KEN HECHLER.

Mr. Speaker, the Huntington, W. Va., Herald-Advertiser carried an account of a further statement which was made on coal mine health and safety, which follows:

Rep. Ken Hechler charged today that United Mine Workers President W. A. Boyle is "dragging his feet" on coal mine health and safety legislation pending in Congress.

"Last Tuesday, I personally called at Mr. Boyle's office to confer with him on the urgent items which must go into any effective bill to protect coal miners. Not only did he refuse to see me, but he informed me he would telephone when he was ready. That was four days ago. If the coal miners have to wait for Mr. Boyle, they will have to endure the same kind of misery which has killed, crippled and given black lung to thousands of miners and then thrown the miners or their widows and families out on the streets with only pennies for compensation and retirement," Hechler said.

Noting that President Boyle, Vice President Titler and Treasurer John Owens are scheduled to address a miner's rally in Welch this afternoon, Rep. Hechler said:

"Let Mr. Boyle explain at Welch where he stands on giving coal miners or their families the right to sue owners or operators whose negligence causes death or mine injuries. Let President Boyle explain where he stands on the infamous Board of Review which the coal operators want in the law to overrule and nullify the recommendations of safety and health inspectors. Let President Boyle tell the miners whether he really wants to bring the coal dust standard down to the level where human beings can live, work and breathe freely without being endangered by black lung. Let President Boyle tell where he stands on giving real authority to the Public Health Service to protect the health of the coal miner."

Congressman Hechler, a long-time critic of the top leadership of the United Mine Workers also stated that "various officials of the UMW have told me that it would be wrong to support a strong, effective mine health and safety law because such a law might cost the operators too much and result in closing down mines and loss of jobs." Rep. Hechler labelled this point of view "dangerous propaganda, designed to weaken the pending legislation."

He added: "Down through the years, the United Mine Workers have always given in to the coal operators when it comes to writing laws which really provide genuine protection for the coal miners. Now that we have the best chance in years to replace this skim milk legislation, the UMW comes up with the novel theory that cream is too rich for the miner's blood.

"It's high time that Mr. Boyle and his henchmen say exactly where they stand on mine health and safety, and either work to protect the miners or get replaced by leaders who will get out and fight for their people," Rep. Hechler concluded.

DICTATORIAL AND ANTILEGAL ACTS

(Mr. HECHLER of West Virginia asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HECHLER of West Virginia. Mr. Speaker, in efforts to hold on to the reins of power, the top officials now holding

office in the United Mine Workers of America have engaged in a number of acts which would seem to violate provisions of the law. Pursuant to section 601 of the Labor-Management Reporting and Disclosure Act of 1959, the Secretary of Labor has been asked to investigate the activities of the present officers of the United Mine Workers of America. I have also urged the Secretary of Labor to pursue this investigation to ascertain if the law has been violated. There follows the text of a letter to the Secretary of Labor detailing in full the possible violations of the law by the present officials of the United Mine Workers of America:

RAUH AND SILARD,
Washington, D.C., July 9, 1969.

Hon. GEORGE P. SHULTZ,
Secretary of Labor, Department of Labor, Washington, D.C.

DEAR MR. SECRETARY: Joseph A. Yablonski, candidate for President of the United Mine Workers of America, and H. Elmer Brown, candidate for Vice President thereof, hereby request an immediate and continuing investigation, pursuant to Section 601 of the Labor-Management Reporting and Disclosure Act of 1959, of the illegal activities of the officers of the Union seeking to prevent the nomination of Mr. Yablonski and Mr. Brown for those offices. If the investigation is to be effective, it must commence immediately and encompass substantially all of the districts and local unions, and especially must include monitoring of local union nomination meetings through Government observers.

The Constitution of the United Mine Workers was amended in 1964 to require nominations by 50 local unions (previously it had been 5) in order for a candidate to have his name placed on the official United Mine Workers ballot. Pursuant to the Mine Workers Constitution, nominations are to be made during the period from July 9 to August 9, 1969, and there is a requirement that all local union members be given one week's notice of the nominating meeting. Since the nominating process starts today, Mr. Yablonski and Mr. Brown urgently request immediate investigatory action by the Department of Labor.

We set forth below the massive efforts being made by the incumbents, W. A. ("Tony") Boyle, President, George J. Titler, Vice President, and John Owens, Secretary-Treasurer, all of whom are candidates for reelection, to prevent Mr. Yablonski and Mr. Brown from meeting the new requirement of 50 local union nominations. Before describing the specific illegal acts of the incumbent officers and those working with them, we refer, as background, to some of the methods used by the incumbents to maintain absolute control of the union.

The Labor Department brought suit in 1964 (Civil Action No. 3071–64) in the United States District Court for the District of Columbia against the widespread and now almost universal practice of placing United Mine Worker districts into trusteeship and directing the affairs of local unions through appointed district officers. The Labor Department suit against the United Mine Workers and the appointed district officials seeks to outlaw certain trusteeships and return the districts to democratic control. This suit has been delayed for 5 years by the incumbents (i.e. Boyle, Titler, Owens), but the facts of their overwhelming power through trusteeships are well known to the Department. The presidents and secretary-treasurers of 19 of the 23 Mine Worker districts in the United States are appointed by Mr. Boyle; the International Executive Board members from 15 of these 23 districts are chosen by Mr. Boyle and ratified without discussion or opposition by the Mine Workers Convention. In addition to the power exercised through this trusteeship process, the records of the Labor Department are replete with nonrepayable loans made by the International Union to the districts, thus making the control through the power of appointment absolute through the power of the purse. It is against this background of the increase from 5 to 50 locals for nomination, widespread trusteeships, and loans to districts, that the Department must consider the facts set forth below of the incumbents' illegal activities to prevent the nomination of Mr. Yablonski and Mr. Brown.

1. Immediately following Mr. Yablonski's public announcement of his candidacy for President (May 29, 1969), he addressed a letter to Mr. Boyle asking that the Union mail campaign literature at his own expense to the members of the Union in compliance with Section 401(c) of LMRDA. Despite the express terms of Section 401(c) requiring unions to make such mailings, Mr. Boyle in flagrant violation of law rejected even this modest request. On June 23, 1969, District Judge Corcoran ordered the incumbents to mail Mr. Yablonski's literature in compliance with Section 401(c) (Civil Action No. 1662–69). Despite Judge Corcoran's order, an attorney for the United Mine Workers deliberately sought to sabotage the mailing.

2. One week after Mr. Yablonski's announcement of his candidacy (i.e., on June 6, 1969), Mr. Boyle removed him from his office as acting director of Labor's Non-Partisan League and threatened him with further reprisals. These reprisals are now the subject of Mr. Yablonski's second suit in the District Court here (Civil Action No. 1799–69).

3. On June 28, 1969, Mr. Yablonski appeared before a group of local union leaders in Springfield, Illinois seeking support for his nomination. While the meeting was breaking up, an as yet unknown assailant knocked Mr. Yablonski unconscious. According to Mr. Yablonski and his doctor, the blow was from the rear and of a professional nature. This matter is under Department of Justice investigation.

4. On the following day, June 29, 1969, a rally of Mr. Yablonski's supporters at Shenandoah, Pa., attended by Mr. Brown because of Mr. Yablonski's injury, was broken up by paid officials of the United Mine Workers. These officials imported into the area more than 50 hired goons who intimidated persons seeking entrance to the meeting, prevented speakers from being heard, forced others to leave, and caused cancellation of the meeting. The full story is reported in the Shenandoah Evening Herald of June 30, 1969. This matter is also under Department of Justice investigation.

5. Supporters of Mr. Yablonski have been systematically approached and directed to support Mr. Boyle. When they refused to do so, they have been threatened with later reprisal. Among those so approached are Victor Pezzoni, Pete Sabo and Eli Matovich.

6. A variation of the threats in the last paragraph was made to Jack Peters, Secretary-Treasurer of Local Union 1787, of which Mr. Yablonski is President. One week after Peters refused to succumb to pressure to support Mr. Boyle, Al Lamo, International Auditor, went to Peters' home and demanded the books of his local union under threat of charges against him.

7. Local union officials who were supporting Mr. Yablonski were offered jobs on the United Mine Workers payroll to persuade them to disavow Mr. Yablonski's candidacy and to go for Mr. Boyle. Among the men so approached are Andrew F. Surma, Joe Sitos, Victor Pezzoni, and Nick Devince.

8. In District 5 where Yablonski will obviously get many local union nominations because he is the democratically elected International Executive Board member and former President of the District, all local unions having 20 members or less were disbanded by letter dated June 27, 1969. This effort to deny him nominations is a clear violation of the Constitution of the United Mine Workers. Even worse, this discriminatory dechartering of small locals was done *only* in the area where Yablonski is strong and not in other districts. This action is in strange contrast to the recognition at recent Mine Workers Conventions of local unions of far less than 20 which were regularly seated. In one case at least, a local with only one member was seated.

9. On June 23, 1969, the charter of Local Union 247, Minonk, Illinois, was revoked at the direction of the International Union. This local, in which there was strong support for Mr. Yablonski, had been in continuous operation even though the mine was closed down in March, 1951. Now, 18 years later, for no reason except that there is an election coming up and opponents of the incumbents are seeking nominations, the charter has been revoked.

10. On Sunday, July 6, 1969, Local 7113 was having its regular meeting. Despite the fact that this was prior to the time for nominations and despite the fact that no notice had been given that nominations would be made at the meeting, financial secretary John Aiello assumed the chairmanship of the meeting, nominated Mr. Boyle, ruled out of order a nomination of Mr. Yablonski, closed the nominations and declared Mr. Boyle nominated. Aiello is a paid employee in District 17, a trusteed district.

11. The same illegal conduct was scheduled for Local Union 2339 the previous day. Five District and International representatives attended the meeting for the purpose of obtaining a similar surprise nomination for Mr. Boyle and blocking off one for Mr. Yablonski. Luckily, Mr. Yablonski himself attended this meeting and the surprise nomination did not occur.

12. On July 2, 1969, in an obvious attempt to repeat the action at Local 7113 and the intended action at Local 2339, Mr. Budzanoski, President of District 5 and one of those who has threatened Mr. Yablonski's supporters, addressed a letter to all recording secretaries in District 5 asking for the date, time and place of the local union meetings at which nominations are to be held. He demanded an immediate response in a self-addressed return envelope and said he had "certain responsibilities" in connection with the nominations. Like Springfield (par. 3), Shenandoah (par. 4), Local 7113 (par. 10), and Local 2339 (par. 11), Mr. Budzanoski's letter portends continuous unlawful activities at nomination meetings.

13. United Mine Workers funds are being illegally used in connection with the nominating process. We have already referred to job offers, but that is only the beginning. To break up the Shenandoah rally (par. 4), $20.00 a person was paid to goons. On June 25, 1969, $10.00 a car load was paid for persons to attend a rally at which Boyle, Titler and Owens were present.

14. An anonymous and libelous sheet about Mr. Yablonski, which has been circulated throughout the Union, was prepared by Mr. Justin McCarthy, editor of the United Mine Workers Journal, and other employees of the Union, all at Union expense.

15. For years the Mine Workers Journal has been a public joke for its efforts to keep the incumbents before the Union membership. Some editions have had more pictures of Mr. Boyle than pages. Recognizing this, Mr. Yablonski, immediately upon the announcement of his candidacy, asked for equal space. Not only was this rejected by Mr. Boyle, but in both of the issues since Mr. Yablonski's announcement, there has been no single reference to Mr. Yablonski and Mr. Boyle has been prominently and

favorably displayed. In the June 15th edition, a very prominent picture of him with John L. Lewis was captioned with Mr. Boyle as Lewis's "protege". In the July 1st issue, Mr. Boyle is shown in 5 pictures and repeatedly given credit for alleged achievements of the Union.

16. At an International Executive Board meeting in February 1969, Mr. Boyle told the presidents of various districts to request a loan from the Washington office in order to finance his reelection campaign. The district presidents at this meeting were Budzanoski, Younker, Philpott, Pass and Kelly. We have made a complaint to the Department of Justice about specific conversions of these loans into Mr. Boyle's election funds.

17. The incumbents have access to and have utilized the list of officers of the local unions of the United Mine Workers. Despite this fact, when counsel for Mr. Yablonski asked for a copy of the list, counsel for the United Mine Workers refused to turn same over to him.

What we have set out above is only the part of the iceberg above the water line. The terror inside a union where a candidate for President is knocked unconscious and where a rally for that candidate is broken up by goons is even greater when it comes to the individual members. The reign of terror makes it hard to get the facts. Many have told Mr. Yablonski and others the same stories as those listed above, but they also talk about their pensions, and their jobs, and their families, and they say that they cannot speak out. What we have presented here is only a small part of the total illegal activities of the incumbents. But it is enough to know that every local union is threatened with unlawful activities up to, during, and after their nomination meetings.

There can be no question from what has been set out above that the incumbents are engaged in massive violations of the Landrum-Griffin Act in order to save their posts in the Union. It is thus clear that the Labor Department will have to take action under Tilte IV of the Act. The time to get the evidence is while the action is on, during the nominating period starting today. We ask the Department to move now.

Respectfully submitted.

JOSEPH L. RAUH, Jr.,
Attorney for Joseph A. Yablonski and H. Elmer Brown.

PERSONAL EXEMPTION INCREASE—PROGRESS REPORT

(Mr. SAYLOR asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SAYLOR. Mr. Speaker, in keeping with my promise to inform the House of the progress in the drive to increase the personal exemption amount, I am happy to report that another 12 Members have joined me today on a bill that would raise the amount to $1,000 from its present level of $600.

With these 12 cosponsors, the net, hard-core support for this measure now stands at 190 Members. In my report of June 25, I did not make allowance for Members who had introduced or cosponsored more than one bill. I think you will be interested to know that 21 of the 27 Members of the Pennsylvania delegation are sponsors or cosponsors of similar bills, and that there is support for Members representing all but nine of the States. The goal is 218 Members; however, considering the closeness of the vote on the surtax extension, perhaps we may not need quite that number to convince the Ways and Means Committee that the country is demanding this legislation.

I noticed that the Ways and Means Committee has just issued a list of "tentative decisions" concerning tax reform. Although the decisions taken do not touch on the subject of the personal exemption amount, I am heartened by the report because it indicates that the subject of tax reform is not a "dead issue" as I was beginning to fear. I feel certain that by now the committee understands that "tax reform" means "tax relief" for the middle-income taxpayer and that the taxpayer is not going to be satisfied with the work of this session of Congress unless his expectations on tax relief are met.

I have cited statistics in the past pointing out how much of the Federal tax burden the middle-income taxpayer bears. The Tax Foundation recently produced a chart showing just how much taxation is costing the wage earner as a portion of his daily income. It takes exactly 2 hours and 34 minutes a day for the average wage earner to pay for his share of Federal and State taxes. That is 8 minutes more than it required last year and 15 minutes more than it did in 1966. But an even more dramatic fact is that the "tax share" is the largest single item in a wage earner's budget based on an 8-hour day. Of the 2 hours and 34 minutes work time required to meet taxes, 1 hour and 47 minutes would be worked to pay the Federal tax share. If you are interested in how much working time is spent each year in earning money for taxes, the foundation says it takes 117 working days out of the year, on average, to meet tax obligations. Is it little wonder that the hard-pressed American middle-income taxpayer is in the mood for revolt against Government spending excesses.

I have heard the cry, Mr. Speaker, about the cost of tax reform and I appreciate the concern that such reform could mean in the loss of considerable Federal revenue. However, I want to point out that if the income tax system was going to be truly revised, that is, a have introduced. With an expanded tax base and doing away with all the special privileges, preferences, and exemptions, there would be no need for legislation I have introduced. With an expanded tax base, flat but progressive rates of tax on all income, there would probably be sufficient revenue to run the Government at its current level. In fact, pending the release of the results of the study underway by the Treasury Department, I would make a guess that the Treasury could expect more, rather than less revenue under such a system. But we all know that such a total reform of the tax system is not in the offing for this year, so one must find alternatives.

There appears to be at least two alternatives. The first and best alternative is to cut the Federal budget by at least the amount of expected revenue decrease. However, we have seen in the first 6 months of this session that Congress is not in the mood to economize to any great degree. The second alternative is to close the tax loopholes that currently exist. Some of these loopholes are in the process of being closed—repeal of the 7-percent investment tax credit is a step in the right direction. But that was a tiny step compared to the giant strides that are needed to make the present tax system more equitable.

The newly formed National Committee on Tax Justice, under the chairmanship of our distinguished former colleague, Paul Douglas, has recently informed the membership of both bodies of the tremendous size of the revenue loss the Government suffers because of the multitude of tax loopholes. The committee reports that in 1968, an estimated $12.5 billion was lost because of these loopholes. Now I cannot personally verify every single one of the dollar figures the committee used to arrive at that figure, but I think it is important to note that the figures were gathered from estimates by the U.S. Treasury Department so we should be able to rely on their authenticity.

The point is simply this: the potential revenue is there to offset the loss from giving the middle-income taxpayer a break if only we in Congress have the courage to go and get it. Congress has the responsibility to begin the process of a redistribution of the tax load and we should start the process by recognizing that the middle-income taxpayer has shouldered more than his share long enough. Raising the personal exemption amount this year to at least $1,000 would be a direct notice to the American middle-income taxpayer that we have heard his cry for tax reform and are fulfilling our obligation. We have all made a promise to the middle-income taxpayer, that "this is the year for tax reform"—it is time we acted to keep that promise.

THE FIVE-SIDED RIDDLE: OR, THE PENTAGON, WHO IS IN CHARGE HERE?—PART III

(Mr. FULTON of Tennessee asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. FULTON of Tennessee. Mr. Speaker, in this morning's Washington Post Mr. Bernard D. Nossiter reports:

> A proposal affecting contractors' profits that could lead to a sharp cut in military costs has been stalled in the Pentagon for 18 months. No action is in sight.

Mr. Nossiter's article is another shocking chapter in this disturbing volume of evidence clearly indicating that our defense contracting and procurement is in a scandalous state of affairs, costing the American taxpayers billions of wasted dollars each year and seemingly impregnable to economizing efforts or ideas.

Mr. Speaker, I include Mr. Nossiter's article, "Pentagon Sits on Plan To Cut Military Costs," in the RECORD at this point:

PENTAGON SITS ON PLAN TO CUT MILITARY COSTS

(By Bernard D. Nossiter)

A proposal affecting contractors' profits that could lead to a sharp cut in military costs has been stalled in the Pentagon for 18 months. No action is in sight.

The proposal, a new guideline for Defense Department negotiators, would link profits to suppliers' investment instead of the present system that relates earnings almost entirely to suppliers' costs.

For economists and nondefense businesses, this is a standard procedure. But many aerospace companies rely on Government plants, Government machinery and Government working capital. They don't want a system that ties their profits to their relatively small investment.

Supporters of the proposed guideline argue that it would achieve at least three useful things: Remove the present incentive for defense suppliers to inflate their costs in order to realize larger profits; encourage contractors to use cost-saving machinery, a goal that present contracting procedures hardly touch and discourage companies from leasing a Government property while stimulating them to risk more of their own money.

PROPOSED IN 1968

The proposal was advanced on February 3, 1968 by Lt. Col. Bruce Benefield, a special assistant to the Pentagon's Deputy Assistant Secretary for Procurement. Benefield described it at a private meeting of top procurement officials and a verbatim transcript of that gathering has now become available to The Washington Post.

Benefield was vigorously supported by the Pentagon's former Comptroller, Robert Anthony, who now teaches at the Harvard Business School.

Anthony warned, in effect, that continuing the present system of basing profits almost exclusively on costs could be embarrassing. "There are quite likely coming to light at some times some fantastically high returns on capital that certain companies are making," he said, "that are going to, I think, cause us trouble."

BACKED BY GENERAL

The late Gen. Thomas Gerrity, head of the Air Force Logistics Command, also argued for Benefield's approach.

But Benefield's immediate boss, John M. Malloy, the Deputy Assistant Secretary for procurement and a long time Penatgon official, was unenthusiastic. He said: "I really don't see this as maybe as clear cut as I believe Gen. Gerrity does. I'm afraid to fly with this so fast—too many unknowns, I think, yet."

Ever since then the scheme has been languishing. Benefield says that it is not dead, that it is being actively considered and constantly refined.

It is known that the plan has been studied by a panel of aerospace contractors brought together by the Pentagon's Industry Advisory Council. But defense officials are close-mouthed about their response.

FIRMS OPPOSED

However, one source said that large companies with little investment of their own are firmly against the new guideline. Big companies with substantial investment are reported to be only lukewarm because of their uncertainty over a new procedure.

Benefield's proposal would tie only 30 per cent of profits to investment and leave the remaining 70 per cent linked to costs. He suggested a 25 per cent rate of return for the investment-linked components.

The following example illustrates how a negotiated profit based exclusively on investment contracts with one based entirely on costs:

Assume that the Pentagon is buying $500 million of avionics widgets. General Military Inc. has $100 million of its own assets but relies largely on federal plants. If the Pentagon allows a 10 per cent profit on costs, GMI would net $50 million, a rate of return of 50 per cent on its capital.

However, if GMI were limited to a 25 per cent return on its assets, or investment, it would net only $25 million. This might encourage the company to put up more of its own money and invest in cost-cutting machinery, and diminish any incentive it had to expand costs.

COMPANIES DIFFER

Among the large defense contractors, those engaged in civilian business generally have large investments. Thus, the assets of General Motors and General Electric typically amount to two-thirds of annual sales. But companies whose business is almost entirely military—General Dynamics, Lockheed and the old North American Aviation, for example—typically have assets that are only one-third of their yearly sales. It is this latter group that could be expected to take the coolest view of any change.

Barry Shillito, the Pentagon's current procurement chief, took part in the February, 1968, meeting as the Navy's purchasing boss. He said yesterday that the delay in establishing the new guideline is due to its "complexity."

In principle, he said, he was for it. "We are going to do this. It's going to happen. We've got to give some consideration to (invested) capital," he said.

However, he said, negotiating officers in the field would have trouble determining precisely how much capital to allocate to each company's contract, a necessary step in determining the amount of profit. This he said, accounts for the delay in adopting the proposal.

Mr. Speaker, the very abuses of which Mr. Nossiter writes are precisely those which were exposed in Report of the Economy in Government Subcommittee of the Joint Economic Committee, "The Economics of Military Procurement."

Over the past 2 weeks I have been placing portions of this report in the RECORD. I intend to place another portion today and would like to bring it to the particular attention of my colleagues because in a section of it the problem of cost analysis of which Mr. Nossiter writes is discussed.

Mr. Speaker, I place the third installment of the report "The Economics of Military Procurement" in the RECORD at this point and commend it to the attention of my colleagues:

THE ECONOMICS OF MILITARY PROCUREMENT—PART III

10. THE CONCEPTUAL PROBLEMS IN USING HISTORICAL COST ANALYSIS AND THE FAILURE TO USE "SHOULD COSTING"

The analysis of cost and pricing data is a crucial factor in determining the amount the Government spends on weapons programs. Without good cost analysis and cost estimation, the Government is unable to control the costs of procurement, much of which is based on original estimates. That is, the price of a contract is negotiated on the basis of cost estimates submitted by the contractor. An inflated estimate can result in an inflated price unless DOD can properly evaluate estimated cost data. Yet, as indicated above, the Defense Department's ability to adequately analyze cost data is severely limited by the lack of information on profitability, the absence of data on subcontracting, the shortcomings of the Truth-in-Negotiations Act, and the nonexistence of uniform accounting standards.

Another obstacle to adequate analysis is the fact that cost estimation presently relies extensively on past experience; that is, historical costs are used to provide estimates of the future costs of proposed weapons systems. Historical costs refer to the actual costs of performing earlier contracts. They are often insufficient and misleading guides to estimating the costs of new contracts for several reasons. For example, it is possible for the cost of performing a contract to be inflated intentionally or through contractor inefficiency, and for the costs of that contract to influence the estimation of costs on subsequent contracts.

As the testimony showed, historical costs are no better than the underlying data on which they are based. If the costs of previous procurements were obtained without competition, estimates based on them probably would not be comparable to costs determined competitively. As we know, most procurements in the DOD data bank were not awarded competitively. In fact, many of the earlier contracts were the CPFF type in which some of the most extreme cases of cost overruns occurred.

The use of historical costs may give the contractor a premium to inflate his cost base. The inflated costs of previous contracts may then become the new cost base figure for subsequent production runs and subsequent contracts. If profit is calculated by DOD as a percentage of costs, the contractor may be given a profit motive to increase costs. The only party hurt in this scheme is the American taxpayer.

Implicit in the criticism of historical cost is the point that the cost of a particular contract may have been excessive because of contractor inefficiency. The possibility that contractor inefficiency may be a significant problem was brought out in the testimony of Colonel Buesking (U.S. Air Force, retired) and A. E. Fitzgerald, Deputy for Management Systems, Office of the Assistant Secretary of the Air Force. Both witnesses compared the probable cost approach, which employs historical costs, and the should-cost approach to Government estimates.

The should-cost approach attempts to determine the amount that weapons systems or products *ought* to cost given attainable efficiency and economy of operation. The method of determining the should-cost figure is based on a combination of industrial engineering and financial management principles. Briefly, a study is made at a contractor's plant of each of the cost elements of the contractor's operation to ascertain what the product should cost the Government, assuming reasonable efficiency and economy on the part of the contractor. Obviously, this approach differs sharply from the traditional one in which costs are estimated in advance on the basis of earlier costs, and in which the Government thereafter reimburses the contractor for incurred and allocable costs without finding out whether the costs were reasonable.

According to the testimony, when the should cost approach was employed by the Navy in connection with the TF-30 engine contract for the F-111 program, substantial inefficiencies were detected in the contractor's plant. As a result of the study, the contract price was later reduced by more than $100 million.

It is difficult to see how the Government can be assured that incurred costs will be reasonable on negotiated contracts without the benefit of a should-cost type in-depth study and evaluation. Col. A. W. Buesking (U.S. Air Force, retired) testified that selected evaluations of resource planning and control systems conducted to assess contractor's capability to meet standards of efficiency revealed that control systems essential to prevent excessive costs were absent. He estimated that costs in such plants

are 30 to 50 percent in excess of what they might be under competitive conditions. When Admiral Rickover was asked to comment on Colonel Buesking's statement, he said, "His estimate is a conservative one." Establishing objective cost performance standards would be an important step toward cost control.

11. ABSENCE OF ONGOING COST REPORTS TO CONGRESS

Equally important is the need for devising a method to periodically report actual costs to Congress as they are incurred on large negotiated contracts. Presently, it is difficult for the Members of Congress and the public to know whether a program is staying within or exceeding original cost estimates and the negotiated price, during the period of contract performance. Reports of actual costs should be correlated with planned cost of work segments satisfactorily completed. In this way, cost estimates could be compared with incurred costs.

It may also be desirable to relate progress payments to real progress, in the sense of work segments satisfactorily completed, rather than simply incurred costs, and to report the volume and cost of contract change notices. Finally, a full cost report system would include the profit rate negotiated and realized, and estimated and realized profits as a return on investment. If this were done, Congress would at least have available to it indicators of contract objectives and contract costs which would make it possible to detect serious overruns and delays, and to determine on an ongoing basis the cost status of the contract.

C. The manifestation of these practices are:

1. High Defense Profits

Perhaps the most glaring fact about defense profits is that not enough is known about them. The DOD cannot accurately state what profits are in defense procurement. First, it defines profits as a percentage of costs, and does not report profits as a return on investment. Second, DOD does not obtain complete information about profits on firm fixed-price contracts. During fiscal year 1968, firm fixed-price contracts made up about 53 percent of total expenditures for defense procurement. Third, without uniform accounting standards, it is difficult, if not impossible, to discover the costs and profits in defense production unless months are spent to reconstruct contractors' books. The reason for this is that contractors are not required to maintain books and records on most defense contracts. Thus, while the profit *rate* is designated at the time a contract is negotiated, the profit actually realized in the performance of the contract cannot be known and verified without an expensive, time-consuming audit.

The DOD collects data on less than half of annual contract awards, and the data it collects is inadequate. Studies conducted independently of the Pentagon are admittedly sketchy. Among other problems, (1) the trend toward conglomerate mergers among large defense suppliers obscures the opportunity for determining defense profits as their data is published in the aggregate without separating sales and profits by division, and (2) neither the DOD nor their contractors will readily furnish profit data to congressional or academic investigators.

No complete and comprehensive study of this subject has ever been made by any agency of the executive branch or by the GAO. Contractors are not required to report their profits on most Government contracts. The DOD does not keep adequate records of contractors' profits. In view of the tens of billions of dollars of taxpayers' money spent on defense contracts each year, the Government's lack of knowledge about defense profits is inexcusable."

One difficulty is in defining what is meant by profits. GAO and DOD surveys deal with profits as a percentage of costs. On this basis a 10-percent profit rate on a contract for a weapon that cost $1 million to produce would result in a profit of $100,000. But profits as a percentage of costs or sales is often an inaccurate indicator of true profits. For example, if a contractor is able to use Government-owned equipment or operate in a Government-owned plant, he may have a relatively small investment in a given contract. In such a case, his profit may be more accurately measured as a percentage or return on investment. Thus, on a $1 million contract, performed in a given year, where the contractor had an investment of $500,000 worth of plant and equipment, a $100,000 profit would be equal to a 20-percent return on investment.

An example of how a low profit as a percentage of costs can be misleading is found in a case decided by the Tax Court involving Air Force contracts (*North American Aviation Inc.* v. *Renegotiation Board, 1962*). In that case, while the contract provided for 8 percent profits as a percentage of costs, the Tax Court found the contracts returned 612 percent and 802 percent profit on the contractor's investment in 2 succeeding years, according to Admiral Rickover. In that case 99 percent of the contractor's sales was to the Government. Indeed, profits as a return on investment is the preferred method of measuring profitability. Stockholders are concerned with the return on their investment, not with profits as a percentage of costs or sales. Return on investment is also a better indicator of the profit in relation to the contractor's input.

It is interesting to note that defense companies operate on smaller profit margins, based on percentage of costs, than do typical industrial corporations. Basically, this is because they often operate with large amounts of Government-supplied capital. Professor Murray Weidenbaum studied a sample of large defense contractors doing three-fourths or more of their business with the Government compared with similar sized industrial companies doing most of their business in the commercial market. Net profits as a percentage of stockholders' investment was 17.5 percent for the defense contractors and 10.6 percent for the industrial firms, for the period 1962–65.

The first question asked in this investigation was whether defense contractors' profits are too high. Much criticism of defense profits has been made in recent years. Critics maintain there is a serious problem of excessive profits. Others assert the opposite, that defense profits may be too low.

Although our present knowledge is incomplete, there is evidence that profits on defense contracts are higher than in related nondefense activities, and higher for the defense industry than for the manufacturing industry as a whole. There is also evidence that this differential has been increasing. The arguments of the Department of Defense to the contrary are unconvincing. The Pentagon's own figures show a 22-percent increase in profit rates on negotiated contracts under the weighted guidelines method of profit computation. GAO found a 26-percent increase in a study comparing the 5-year period from 1959 through 1963 with the average profit rate negotiated during the last 6 months of 1966. DOD claims the increases relate only to "going in" profits negotiated, and that actual "coming out" or realized profits are less. But the DOD in-house profit review survey shows that contractors are coming out with profits that are substantially the same as the going in rates. In addition, when Admiral Rickover made a comparison of profits reported and actual profits as determined by Government audit for five contractors, actual profits were found to be much higher than profits reported. Admiral Rickover also testified that suppliers of propulsion turbines are insisting on 20- to 25-percent profit on costs as compared with 10 percent a few years ago, that several nuclear equipment suppliers are requesting 15- to 20-percent profit, that profit percentages on shipbuilding contracts doubled in the past 2 years, and that a large company recently priced equipment to a Navy shipbuilder at a 33-percent profit.

Col. A. W. Buesking testified that profits based on return on investment in the Minuteman program, from 1958 to 1966, were 43 percent. Profits for the large companies seem to be relatively higher than the smaller and medium-sized ones, according to the studies already completed.

Officials of the Department of Defense have attempted to answer the criticism of high profits in defense contracting by citing Renegotiation Board figures. Yet, in the annual reports, the Renegotiation Board warns against using its figures for generalizing about defense profits. One of the reasons for not using these figures is the fact that a large amount of contract awards are exempt from renegotiation and therefore do not show up in the totals for renegotiable sales. In addition, the Board does not publish figures for profits as a return on investment, nor does it disclose the names of contractors who have been ordered to return excessive profits to the Government and the amounts involved. Unless such disclosures are made so that profits on renegotiable sales can be fully analyzed, we agree that Renegotiation Board figures should not be used to generalize about profitability in defense contracting.

Officials of the Department of Defense have also attempted to answer its critics with the results of a study performed by the Logistics Management Institute (LMI). LMI was created by the DOD and in the past has worked almost exclusively for DOD. The LMI profits study was financed by DOD.

The LMI study used unverified, unaudited data which was obtained through the voluntary cooperation of a sample of defense contractors. Those who did not wish to do so did not participate in the study. Forty-two percent of those contacted provided us data. As Admiral Rickover pointed out, one of the faults with such a study is that the contractors making high profits would naturally be reluctant to supply information and could simply choose not to participate. In addition, the study fails to distinguish between profits of the larger contractors and the medium sized and smaller ones.

These facts are cited to underline the continued need by Congress for an objective, independent, and comprehensive study of defense profits. This need cannot be satisfied by a DOD in-house study, or by an organization dependent upon the DOD for its funds.

2. Cost Overruns: The C–5A Cargo Plane

The Air Force selected the Lockheed Aircraft Corp. as the airframe prime contractor for the C–5A, a large, long-range, heavy logistic aircraft, on September 30, 1965, after proposals had been received in response to Requests for Proposals (RFP) from 5 firms, and preliminary contracts had been entered into with 3 of them in 1964. It is not clear, from the evidence, how much *price* competition had to do with the selection. Secretary Charles testified that there was competition among the firms. But when asked how low Lockheed's bid was compared to the others, he refused to disclose the figures on the grounds that "this is company proprietary information." A similar procedure resulted in the selection of General Electric as the engine manufacturer.

The contract with Lockheed is a negotiated fixed price incentive fee contract. It is also the first contract utilizing the total package procurement concept (TPPC). Two major objectives of the concept, according to

the Defense Department, are to discourage contractors from buying in on a design and development contract with the intention of recovering on a subsequent production contract, and to motivate contractors to design for economical production and support of operational hardware. Thus, TPPC is supposed to act as a deterrent against cost overruns and less-than-promised performance. To accomplish this, all development, production, and as much support as is feasible of a system throughout its anticipated life, is to be procured in a single contract, as one total package. The contract includes price and performance commitments to motivate the contractor to control costs, perform to specifications, and produce on time. As the C–5A is an incentive contract (TPPC does not necessarily result in incentive contracting) it contains the usual financial rewards and penalties associated with incentive contracting.

The C–5A contract for the airframe provides for five research, development, test and evaluation (R.D.T. & E.) aircraft plus an initial production run of 53 airplanes (the total of 58 planes is called run A), and a Government option for additional airplanes. The present approved program for the C–5A is 120 airplanes comprised of run A (58 airplanes) plus run B (57 airplanes) plus five airplanes from run C.

The testimony received during the November 1968 hearings indicated a cost overrun in the C–5A program totaling as much as $2 billion. A "cost overrun" is the amount in excess of the original target cost. According to the testimony, the program originally called for 120 C–5A airplanes to cost the Government $3.4 billion, but because of cost overruns mainly being experienced in the performance of the Lockheed contract actual costs would total $5.3 billion.

Following the November hearings, Senator Proxmire asked GAO to investigate into the causes and amount of the C–5A overruns and other matters relating to the contract.

On November 19, 1968, the Air Force announced, in a press release, that the original estimate for 120 C–5A aircraft was $3.1 billion, compared to the current estimate of $4.3 billion. Subsequently, in response to a request by the subcommittee, Mr. Fitzgerald, who was responsible for the development of the management controls used on the C–5A and who was on a steering committee directing a financial review of the C–5A, supplied a breakdown of the estimates of C–5A program cost to completion. This data showed Air Force estimates for 120 airplanes was $3.4 billion in 1965, and $5.3 billion in 1968, indicating an overrun of about $2 billion. The difference between the Air Force press release and the data supplied by Mr. Fitzgerald seems to be accounted for in the figures for spare parts. The data supplied by Mr. Fitzgerald shows $0.3 billion for spares estimated in 1965, and $0.9 billion in 1968. If the figures for spares are added to the estimates in the Air Force press release, the two set of figures are close to one another.

In the January 16 followup hearing, GAO reported on its investigation, the nature of which is discussed below on page 40. Briefly, GAO transmitted to the subcommittee figures supplied by the Air Force 2 days prior to the hearing. These figures indicated a substantial overrun but a smaller total cost for the overall C–5A program than the $5.3 billion figure shown in the November hearings. The reason for the lower total was the omission by the Air Force of the costs of the spares.

Nevertheless, testimony and other evidence received in the course of the hearings confirmed the existence of the approximately $2 billion overrun in the C–5A program, the reverse incentives contained in the repricing formula, and large overruns in other Air Force programs. The latest estimate of the total cost of 120 C–5A's, including spares, provided by Secretary Charles, is $5.1 billion. This is close to the estimate previously supplied by Mr. Fitzgerald, and about $2 billion more than was estimated in 1965. The following table shows the estimates supplied by Mr. Fitzgerald, the Air Force press release of November 19, 1968, and Assistant Secretary Charles:

COMPARISON OF ESTIMATES OF C–5A PROGRAM

[In billions of dollars]

	Fitzgerald		Air Force press release[1]		Charles	
	1965	1968	1965	1968	1965	1968
120 aircraft:						
R.D.T. & E. plus production	3.1	4.4	3.1	4.3	.....	4.3
AFLC[2] investment	.3	.9	.....	.....	.....	.8
Total	3.4	5.3	3.1	4.3	.....	5.1

[1] The Air Force press release of Nov. 19, 1968, did not provide cost breakdowns between R.D.T. & E. (research development, testing, and engineering), production runs, and AFLC investment. The figures given seem to omit AFLC investment.

[2] AFLC (Air Force Logistics Command) investment submitted by Fitzgerald includes spare parts; that submitted by Charles includes initial spares, replenishment spares, and support. Table submitted by Secretary Charles (hearings, pt. 1, p. 311) does not include estimates for 1965.

The cost growth of the C–5A program can be seen in the table. The figure supplied by Fitzgerald show an increase from $3.4 billion in 1965 to $5.3 billion in 1968. The Air Force press release can be reconciled with the Fitzgerald figures if the AFLC investment (spares) is added to each of the estimates. Thus, the $3.1 billion estimate for 1965 would total $3.4 billion, and the $4.3 billion estimate for 1968 would total $5.2 billion. Secretary Charles' own figures for 1968 total $5.1 billion. The subcommittee rejects the attempts of Air Force spokesmen to minimize the size of the program or the size of the overrun by removing spares as an item of cost. Spares are an integral part of the C–5A program and should be included in any consideration of costs.

According to the Air Force, the cost growth in the C–5A program has resulted from normal development problems associated with complex weapons and inflation. However, the subcommittee notes that the C–5A was chosen for the first application of the total package procurement concept partly for the reason that it was not considered a highly complex weapon system requiring technological advances beyond the state of the art. The inflation argument, which is supposed to account for $500 million of the cost growth, appears questionable. The contract contains an inflation provision to protect the contractor from unforeseeable price changes in the economy, to go into effect 3 years after the issuance of the initial contract, that is, October 1, 1968. The initial 3-year period was supposed to be considered a normal business risk. The Air Force official explanation of this provision states: "The contract thus included in the price an amount which reflected a projection of the mounting cost trend in the economy of labor, materials, equipment, and subcontract prices." If future inflation for at least 3 years was included *in the price*, it is hard to see why inflation should be a major factor in later increasing the price. Without a more thorough investigation of the C–5A program, the technical problems encountered, the failure to anticipate them at the time of the negotiations, and operations of the inflation provision, the subcommittee cannot form any firm conclusions about the reasons for the enormous overrun.

A repricing formula built into the contract was also revealed in the November testimony. The repricing formula is one of the most blatant reverse incentives ever encountered by this subcommittee. It should be recalled that the C–5A contract is supposed to represent an important step toward cost control. An Air Force manual on the total package procurement concept dated May 10, 1966, states that "It should produce not only lower costs on the first production units, but, in turn, a lower take-off point on the production learning curve, thus benefiting every unit in the production run." The facts about the C–5A are just the reverse. Costs for the first production units are greatly exceeding original estimates, resulting in a higher take-off point on the production learning curve, thus inflating every unit in the production run. In addition, the contract is supposed to provide the Government with binding commitments on price and performance. Obviously, there is in fact no binding commitment on price if the price can be modified upwards, as is being done in the C–5A, because actual costs are exceeding estimates. Whether the actual performance of the C–5A lives up to its promise remains to be seen. On the matter of delivery, it is interesting to note that the Air Force announced on February 25, 1969, a 6-month delay in the first operational C–5A aircraft, from June 1969 to December 1969.

Not only were the price increases made possible by the repricing formula, but the cost overruns which are resulting in the higher prices may very well have been encouraged by the existence of the formula and by the nature of the formula. For the mere fact that a repricing provision existed in the contract constituted a built-in get-well remedy for almost any kind of cost growth. According to this provision, the price of the second increment (run B) could be increased on the basis of excessive actual costs on the first increment (run A). The motivation, if any, of the incentive feature of the contract is thereby largely nullified, provided the contractor is confident that the Government will exercise the option. Why bother to keep costs down if their increase forms the basis for a higher price? Additionally, because of the nature of the formula, the higher the percentage of overrun over the original contract ceiling price on the first increment, the higher the percentage by which the second increment is repriced.

The subcommittee learned, on the morning of the January 16, 1969, hearing, that the Air Force had exercised the run B option for 57 additional C–5A aircraft, apparently committing the Government to spend at least $5.1 billion on aircraft originally estimated to cost $3.3 billion. The subcommittee was dismayed to learn that this decision was made before the completion of the GAO investigation and without a full disclosure of the reasons for the cost overruns. The public interest in economy in Government was not served by this precipitous decision, announced a few hours before the start of a congressional hearing and a few days before the inauguration of the new President.

PLAN FOR RACIAL BALANCE IN PUBLIC SCHOOLS OF MOBILE COUNTY, ALA.

(Mr. EDWARDS of Alabama asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. EDWARDS of Alabama. Mr. Speaker, on July 10 the Department of Health, Education, and Welfare filed in U.S. District Court in Mobile, Ala., a plan for the imposition of racial balance in the public schools of Mobile County, Ala.

The plan would call for the busing of some 2,105 pupils over substantial distances within the city and the county of

Mobile. Beyond that it calls for the closing of some schools and the construction of new ones.

Aside from the cost of implementation of this proposal which would be very substantial, it seems to fly in the face of section 407(a) of title IV of the Civil Rights Act of 1964 which states:

. . . nothing herein shall empower any official or court of the United States to issue any order seeking to achieve a racial balance in any school by requiring the transportation of pupils or students from one school to another or one school district to another in order to achieve such racial balance, or otherwise enlarge the existing power of the court to insure compliance with constitutional standards.

What certainly appears to be a HEW plan in direct contradiction to the law must be of genuine concern to this Congress and to the people of the United States. Mr. Speaker, the law on busing is clear and I call on the Secretary of HEW to abide by that law and withdraw his plan.

On July 11, I directed a telegram to the Secretary, asking prompt action and I include the text of that telegram at this point in my remarks:

JULY 11, 1969.

Hon. ROBERT H. FINCH,
Secretary, Department of Health, Education, and Welfare, Washington, D.C.:

In the last several weeks I have heard you say in my presence on two differenct occasions that HEW recognizes that the law prohibits forced busing of students for purposes of obtaining racial balance and that you intended to comply with the law. And yet busing is being forced on the Mobile County (Alabama) School Board by HEW in a plan filed in the U.S. District Court in the Southern District of Alabama on Thursday, July 10, 1969. I have seen the map concerning elementary school busing and I cannot believe that you could condone such a flagrant violation of the law. And yet the Mobile Press Register of Friday, July 11, 1969, reports that "the HEW plan hinges heavily upon cross-town busing of pupils from predominantly Negro areas to accomplish a greater measure of school integration." The paper quotes the HEW proposal as follows:

"Our recommendations undoubtedly raise the question whether, under the circumstances here, assignments legally are required to be in the desegregation plan if they require substantial additional transportation. This is a legal question which we can only leave to the parties and to the court."

If this is the position of HEW then it means your attorneys either cannot read the law or that HEW is embarking on a court challenge of the clear intention of Congress. In any case the actions of HEW are contrary to my understanding of your position and I insist upon an immediate clarification.

In addition to the question of busing the HEW plan is designed to promote integration only and completely disregards normal requirements of a properly run educational system. It ignores natural boundaries, proximity of students to existing schools and hazards.

It calls for mass conversion of schools for purposes other than those for which they were constructed. Elementary schools would become junior and senior high schools and high schools would become elementary schools. Schools would be closed and others required to be constructed. The resulting expense would be overwhelming. You and I have also discussed this problem and you made it clear there were no federal funds to help a school district in such a case. Where do you suppose the local school board will get the money?

In short, Mr. Secretary, the HEW plan is in many respects contrary to law, is unrealistic in the extreme, and is obviously the wild notion of your stable of dreamers.

Because of the urgency of his matter and the great concern of the people of Mobile County, I will appreciate a reply by wire or by messenger. In the meantime, I believe it is entirely in order for you to instruct HEW officials to withdraw the plan now in view of the busing proposals.

I am sending a copy of this wire to the Attorney General of the United States because of the fact that the plan of HEW was filed in a suit in Federal Court. Wire copy also to Bryce Harlow.

JACK EDWARDS,
Member of Congress, First District, Alabama.

FOREIGN INFORMATION ACT

(Mr. EDWARDS of Alabama asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. EDWARDS of Alabama. Mr. Speaker, at no time in America's history has it been more important that the story of our Nation is understood in other countries throughout the world.

The Congress has established a program for the purpose of pursuing this objective, with all its complexities and problems.

We have also established a special body, the U.S. Advisory Commission on Information, for the purpose of conducting a continuing and independent overview of this program.

Current chairman of the Commission is Mr. Frank Stanton, president of the Columbia Broadcasting System.

In May of this year the Commission issued its 24th report to Congress in which it repeated its earlier recommendation that a searching reexamination be made of our Government overseas information programs.

On July 10 I introduced legislation designed to carry through this recommendation. Several of our colleagues joined in cosponsorship of that bill, H.R. 12726. My remarks of that day appear in the RECORD on pages 19124 and 19125.

Today I am pleased to say that the bill is being reintroduced with two new cosponsors, the gentleman from Illinois (Mr. ANDERSON) and the gentleman from Ohio (Mr. TAFT). I invite others to join in this effort.

The report of the Commission is brief and to the point. It raises questions which ought to be the concern of every one of us in this Congress. The object of the legislation is to help find answers to these questions and many others related to them.

I call attention to the text of the report, as follows:

THE 24TH REPORT: U.S. ADVISORY COMMISSION ON INFORMATION, MAY 1969

FOREWORD

The United States Advisory Commission on Information—created in 1948 to watch over a communications dialogue with the rest of the world—has arrived simultaneously at its majority and an inescapable conclusion:

Our national commitment is incomplete. We are quick to advocate "mutual understanding," but slow to establish the conditions for its accomplishment.

We lament communications gaps, or credibility gaps, or information gaps, but throw few lines across them.

We claim to be motivated by "a decent respect to the opinions of mankind," yet keep those charged with that concern at arm's length from the national policy process.

We profess to seek the solution to men's problems with words, not weapons. But:

In fiscal 1968, we spend $80.5 billion for "national defense" and $4.6 billion for "international affairs and finance"—a ratio of 94.6 to 5.4. United States Information Agency: $194,255,000.

In fiscal 1969, we anticipate spending $80.9 billion for "national defense" and $3.9 billion for "international affairs and finance"—a ratio of 95.4 to 4.6 USIA: $173,168,000.

For fiscal 1970, we have budgeted $81.5 billion for "national defense" and $3.8 billion for "international affairs and finance"—a ratio of 95.5 to 4.5. *USIA: $177,650,000.*

Our concern is a matter of record. "There are four channels through which a nation may conduct its foreign affairs. The first is diplomacy. The second is trade. The third is communication. The fourth is force. Three are complementary, the last is alternative. Indeed, the last alternative. It is indicative of the disordered priorities of our time that 95 percent of our foreign affairs moneys are devoted to the channel that the other 5 percent is dedicated to avoid."

But the essential problem is not in dollars. It is in direction.

Which way best leads from where we are to where we want the world to be?

How are the two hundred million of us to convince the thirty-three hundred million of them that we are on the right path, and that it is wide enough for all to travel.

Eventually, if not now, it must be through knowing each other, then trusting each other.

And if eventually, why not now?

That is the petition of the 24th Report.

THE 24TH REPORT

The world's curiosity about the United States—about its policies and intentions, its actions and capabilities—has increased in proportion to the growth of America's power and influence. The world's *opinion* about the United States has fluctuated measurably. In recent years, the trend has been down.

To discover why, we must first look to actions, not words. Yet we may reasonably consider how much of the fault may lie in our prevailing approach to foreign and national security policy formulations, which gives but cursory due to public opinion abroad. This aloofness may well have been valid in a time when secret diplomacy was the principal if not the exclusive approach to relations between nations. It is not today. It can never be again. The time has passed when governments could control information dissemination—and, thereby, what their peoples think. After two decades of experience with the overseas information, educational and cultural programs initiated by Public Law 402 (the Smith-Mundt Act of 1948) and now administered by the United States Information Agency, the foreign affairs establishment has still to learn this lesson. The continued avoidance of this truth—and, in the Commission's view, of this opportunity—can lead only to further erosion of and disenchantment with U.S. leadership.

Effective, accurate, open communication can make the difference between peace and war. Moreover, it can make the difference in the eventual outcome of the contest now being waged between reform and revolution. Between 1948 and 1968, and now under its fifth Administration, USIA has constructed a worldwide apparatus capable of transmitting the message and the idea of America.

Yet a number of opportunities remain unexploited, and some past gains must be consolidated:

1. The Agency's research is inadequate. It does not deliver to the foreign policy planning process incisive inputs on trends in worldwide public opinion about the United States, or to USIA management meaningful data on the success, or lack of it, of the Agency's own efforts. As we have said before, "The plain fact is that in too many cases the Agency does not know why it is doing what it is doing." USIA's research effort—primitive, timid and stumbling in past—must be subjected to fundamental overhaul and strengthening.

2. Over the years, the Voice of America has established a capability for instant access to virtually all corners of the world—essentially via the shortwave bands. But the world has changed. The transistorized radio, available in abundance and at low cost, has brought standard medium-wave radio—that is, local radio—into a dominant position among communications media in many countries where the Voice hopes to be heard. (Two notable exceptions: The U.S.S.R. and Red China, where shortwave remains the principal courier for VOA.) This development has created both technical and programming demands which must be addressed at an accelerated pace if VOA is to retain its position of influence. It must maintain its capacity for service in "stress" situations and, in "slack" periods, must hold its audience with an attractive program service.

3. The 150 libraries and information centers, the 45 reading rooms and the 130 binational centers can bring basic information about the U.S. to 101 countries—in English as well as the host language. These peaceful symbols of America abroad attract thousands of visitors daily. They need to be redesigned, refurbished and restocked with the dynamic new materials emerging from the American university presses and from the rest of the American communications industry.

4. It is overwhelmingly evident that there is no substitute for a foreign citizen's visit to this country. Invariably, he takes back with him profound and lasting impressions of our energy and purpose. His ability to witness first-hand the openness of our society—from space adventures to face-to-face confrontations of Presidents and press—demonstrates beyond dispute that ours is a free society. Similarly, the exposure of Americans to foreign cultures and viewpoints helps assure the mutuality of cultural and educational exchange—administered jointly by USIA and the Department of State—deserves an infusion of Congressional encouragement.

5. New techniques in audio-visual presentations, ranging from television to film exhibits, electronics and graphics—all especially cast for foreign audiences—can help dramatize and enhance America's efforts to communicate its story to the people of the world. They must be made part of USIA's skills inventory.

6. The massive private resources of this country must be brought into tandem with the U.S. communications program abroad. The vein has hardly been tapped. Creative, constructive talents in radio, press, television, film, design, graphics, publishing, education, the arts, the social sciences and related professions need to be marshalled more effectively.

7. Similarly, a special effort should be made to capitalize upon those resources in foreign countries which may be used to USIA's advantage. The two most conspicuous are those organizations indigenous to a host country which identify with the United States and have common cause with its policies and objectives, as well as organizations of the American private sector which have operating arms abroad and which by the mere fact of being there already serve as unofficial representatives, for good or ill. Or equal importance are those foreign journalists and news organizations stationed in this country and thus positioned to perform a key role in informing their audiences about us.

8. The level of representation allowances for USIA activities remains scandalously low; roughly half the level of current expenditures, forcing USIA personnel in the field to make up the difference from their own pockets. The Commission again urges the Congress to make adequate provision for this essential element of the Agency's overseas operations, and to lift the financial burden that is now being shouldered by a dedicated career staff.

9. The creation of a solid corps of professional officers in foreign communications, whose ability to communicate with the peoples of the world in their own languages and with a sensitivity, understanding and respect for the psychology, customs and traditions of their cultures, has helped gain acceptance and understanding of U.S. policy and action. (In this connection, the Commission is pleased to commend the 90th Congress—and particularly the leadership of Senator Claiborne Pell of Rhode Island and Representative Wayne Hays of Ohio—for establishing a career corps for Foreign Service Information Officers, and thereby providing a long overdue legislative personnel base for USIA operations.) The importance of encouraging these American "ambassadors" to bridge the gaps between national cultures—and of strengthening their ability to do so—cannot be overemphasized.

One basic theme is common to this and the 23 earlier reports prepared by this Commission for the Congress and the President: that America's foreign policy must be strengthened by the infusion of psychological or communications factors. This can occur only if USIA is permitted to play a role where the action is—in the National Security Council, with the Secretary of State, with Ambassadors abroad, and whenever feasible in the Cabinet. The past 20 years have seen tortured, though discernible, progress toward that end. It is our hope that the reluctance of the past will be overcome by the enthusiastic endorsement of the future.

AFTERWORD

We of the United States Advisory Commission on Information find ourselves one year older, but of no different mind, than we were at the conclusion of the 23d Report. It was then that we called for a major review of (1) the USIA and (2) the governmental context in which it operates. We said it was time to examine assumptions, and posed eleven questions that might be among those covered in such a study.[1] They are still worth asking:

Is the United States Information Agency to be but an agent of American "propaganda"?

Should it be more than an arm of foreign policy?

Are information, educational and cultural objectives compatible within one agency?

Were they consolidated outside of the Department of State, should that body have Cabinet rank?

Or should the reins be drawn together within a restructured Department of State?

Does the responsibility of those who create the foreign policy of the United States go beyond its declaration?

Should they have charge of its promulgation as well?

Should USIA have a hand in information dispersal for Government agencies beyond the Department of State?

Should it play a role in the influence of policy as well as in its execution?

Should it help support those private organizations whose overseas activities had been subsidized covertly in the past by the federal government and whose future funding is under study by a committee chaired by the Secretary of State?

Do we really intend that USIA work toward "mutual understanding"; is it to help us understand them as well as to help them understand us?

As we repeat the questions, so also do we repeat the hope that they will be answered.

[1] A number of courses might be taken in pursuing the examination. One which commends itself to the Advisory Commission takes this form:

The President would appoint a Committee of Nine—one member each from the Senate, the House of Representatives, the National Security Council, the Department of State, the United States Information Agency and the United States Advisory Commission on Information, and, from the private sector, a chairman and two additional members knowledgeable in the fields of information, education and cultural affairs. This committee would select the study organization, review and approve the direction and plan for the study, and critique its findings.

The study itself would be conducted by professional researchers and experts in foreign policy, members either of an existing research and development organization or, perhaps, drawn together on an *ad hoc* basis under the auspices of a school of international studies.

HIGHWAY SAFETY: COMMENTARY NO. 7

(Mr. CLEVELAND asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. CLEVELAND. Mr. Speaker, when considering highway safety, no one factor can be considered alone as the only cause of traffic accidents. As I noted in my "Highway Safety Commentary No. 6," the driver, the vehicle, and the road play major and interrelated parts in fully considering traffic accident statistics. The interdependent nature of these three factors should not be overlooked. However, discussion concerning each is relevant, as we consider the roles each play in the drive for highway safety.

Today, I wish to comment on an aspect of safety standards for vehicles. Congress passed in 1966 the National Traffic and Motor Vehicle Safety Act. The act states that Congress "is determined that it is necessary to establish motor vehicle safety standards for motor vehicles and equipment in interstate commerce." The result of this act has been the issuance of 28 motor vehicle safety performance standards by the Department of Transportation. The latest of these standards will go into effect this year.

These safety standards are a necessary and important step toward the elimination of traffic deaths caused by improper manufacturing and or design. Unfortunately, as a practical matter these standards cannot be made retroactive. The average lifetime of vehicles is such that some cars manufactured in 1967, without the features required by Federal standards, will be on the roads until 1983. Even in 1975, almost 60 percent of the pre-1968 automobile population will still be in use.

The Department of Transportation submitted a report to the Congress in

1968 entitled "Safety for Motor Vehicles in Use," which illustrated another significant statistic. It estimated that about half of the 94 million motor vehicles in use today are deficient in one or more aspects of safety performance due to deterioration with use, improper maintenance, or inadequate initial design.

These facts are significant. Methods should be found to cope with this aspect of the problem.

THE DRUG PROBLEM

(Mr. ARENDS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ARENDS. Mr. Speaker, the message which President Nixon sent to Congress yesterday afternoon is of such consequence that I feel justified to take this time to urge every Member to read it, even reread it, with more than ordinary care. The message deals with one of our gravest national problems: the growing traffic in narcotics and dangerous drugs.

There is no way of ascertaining the exact number of drug addicts. The number has been estimated to be in the hundreds of thousands. And we know from the crime statistics that the use of drugs, from the experimental to the addiction stage, has alarmingly increased among our youth. Even in our high schools and our junior high schools, particularly in our cities, the availability and use of dangerous drugs has been increasing.

We know that narcotics is a primary cause of crime. The addict is driven to a life of crime in a relentless search for the money to buy drugs. He finds himself enslaved. He finds himself a slave to the needle to feed an insatiable appetite but also a slave to the gun. He becomes a menace to himself and to society.

Obviously, our present laws are inadequate in dealing with this problem. For all too long our approach to it has been on a piecemeal basis. It is not simply a local, State or national problem. It is international in scope. At long last, as President Nixon proposes, we are to enter upon a broad program, dealing with every facet of this problem.

In every way—by law enforcement, by education, by training, by State-Federal cooperation, by international cooperation—President Nixon has begun an attack on what may be said to be the American plague—the plague of drug abuse. I applaud President Nixon's message and I intend to give my support to every phase of his proposed program. It is a program to protect American youth and America itself.

COMPREHENSIVE COMMUNITY COLLEGE ACT OF 1969

(Mr. BINGHAM asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BINGHAM. Mr. Speaker, the gap between this Nation's universal system of secondary education and our comparatively limited system of higher education is a key factor in keeping our desire to provide equal education opportunity for every citizen to the limit of his interest and capacity from being fully realized. This gap promises to grow even wider as society's demands for college-educated people and the capability and desire of our young people for higher education continue to grow at a faster rate than the capacity of our colleges and universities. In such a situation, cost and competition for available college and university slots will continue to increase, putting more and more individuals and groups in the Nation at disadvantage in obtaining an opportunity for advanced education, thereby taking us still further from our national goal of equal educational opportunity for interested and capable individuals at all levels.

One possible means of closing this gap and bringing us closer to our national educational goals is the development of junior and community colleges. Nearly a thousand such colleges are currently in operation, accommodating about 2 million students and accounting for almost half of all institutions of higher education in the United States. Seventy new community junior colleges opened their doors last year alone.

These institutions offer a number of distinct educational advantages. They provide post-secondary educational opportunities at low cost to students. They are located close to the students they serve. They can offer flexible admissions arrangements, strong counseling and advisory services, and a wide variety of educational programs—academic, vocational and professional. In short, the educational opportunities afforded by community junior colleges are the kinds of opportunities that are relevant to the most immediate needs and demands of the particular community in which they operate.

An additional advantage—or potential advantage—of community junior colleges is their unique ability to meet the intensifying educational demands of racial and economic groups that have long been at a particular disadvantage in the struggle for higher education. Many 2-year colleges are showing remarkable progress in this area. A recent survey by the highly respected Southern Education Reporting Service indicates that, excluding traditionally black institutions, only one public college among all the State universities and land-grant colleges has a black enrollment that exceeds 5 percent. There are, however, at least 20 larger urban community colleges whose non-white enrollments now exceed 10 percent. The New York Times noted recently, for example, that the New York City Community College has "6,000 nonwhite students, nearly half the total—a higher ethnic concentration than any other school in the City University, and almost in the entire State." Chicago City College has a black enrollment almost four times that of the much larger Illinois State University. A single 2-year campus in Oakland's Peralta District has more than twice as many black students as the entire University of California system whose total undergraduate enrollment exceeds 65,000.

These figures, of course, indicate a need for greater access for racial minorities to our major institutions of higher learning. They also indicate, however, that community junior colleges are already serving a very significant function in providing advanced education and training for members of minority groups. It might be fair to say, in fact, that to the extent that American higher education is coming to grips with the challenge of providing greater educational opportunities for minority and traditionally disadvantaged groups, the community colleges are very much the leading edge.

It is little wonder, then, that the Carnegie Commission on Higher Education, commonly known as the Kerr Commission after its chairman, the distinguished educator, Clark Kerr, recommended the construction of 500 new community colleges to meet the basic educational needs of communities across the country by 1976.

Despite the excellent job that existing community junior colleges are doing and the intense need for expansion of such facilities, community colleges have long taken the last place in line when Federal funds for education are distributed. Local and State governments have so far borne the main burden of funding these institutions. Out of 24 institutional-support programs administered by the Office of Education, junior colleges are eligible to take part in only six. Although they serve nearly one-third of the total student population engaged in higher education, community colleges get only 4 percent of national defense loan funds, 6 percent of educational opportunity loans, and 15 percent of college work-study assistance. Despite a commitment in the Higher Education Facilities Act of a major Federal assistance effort for community colleges, construction grant funds requested in the 1970 budget amount to only $43 million. Divided among the 50 States, each with new community colleges in need of assistance, this amount will hardly put a dent in the construction needs of community and junior colleges.

In other regards, too, Federal machinery and policy for assisting community and junior colleges is haphazard and disjointed. Statements of Federal policy to community and junior colleges are uninspiring. No procedures or mechanisms are provided to insure that adequate planning and coordination are effected in the development of community and junior colleges within individual States and across the Nation. Authority and responsibility for providing Federal assistance to community and junior colleges is fragmented and divided among many sections of the Office of Education, with no bureau, division, office, or program devoted to overseeing and coordinating Federal efforts and plans in this area.

With these needs and current shortcomings in mind, I am today introducing legislation entitled the "Comprehensive Community College Act of 1969." This

legislation was formulated with the help of the American Association of Junior Colleges, and is identical to that already introduced by Senator WILLIAMS of New Jersey on the Senate side. The bill would establish as official policy of the Federal Government the intention to provide "postsecondary education to all persons in all areas of each State through a program of Federal grants to each State for the purpose of strengthening, improving, and developing comprehensive community college." Under this proposal, States would be given a year to produce or update a master plan for postsecondary education within the State, during which time the U.S. Office of Education would organize a Bureau of Community Education and a National Advisory Council appointed by the U.S. Commissioner of Education to administer all Federal programs related to community colleges.

Master plans developed under the act would include plans for the development and implementation of comprehensive curricula, training and development of faculty and staff, formulation of admissions and financial aid policy, development of procedures to assure that Federal funds will not supplant existing State and local efforts, and—where feasible—arrangement for interstate planning and cooperation.

To help the States carry out their respective plans, the legislation provides for the authorization of funds to be appropriated for construction and initial equipment in the following amounts: $1.5 billion for fiscal year 1971, $2 billion for fiscal year 1972, and $2.5 billion in fiscal year 1973. All institutions included in each State plan which will provide a 2-year comprehensive program of postsecondary education to all high school graduates or anyone 18 years of age or older would be eligible for such Federal assistance.

Passage of this legislation by the Congress promises to stimulate and greatly improve our national effort to provide high-quality, postsecondary education short of a 4-year degree at a major institution of higher learning, not at the expense of the 4-year institutions but as a supplement to them. This legislation would allow us to serve more of those in our society who want to learn beyond high school, without regard to degrees, grade averages, age, or socioeconomic status. By so doing, we will take a great step toward the goal of equal educational opportunity for all by narrowing the existing chasm between secondary and 4-year college education—a chasm that stops so many of our citizens who are capable of educational achievement beyond secondary school from exploiting that capability.

CONGRESSMAN VANIK SPEAKS OUT ON THE NEED FOR TAX REFORM

(Mr. ECKHARDT asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ECKHARDT. Mr. Speaker, in the U.S. Congress there is no man more devoted to the interests of the public at large and more concerned about incursions upon the public interest in the field of taxation than the Honorable CHARLES VANIK of Ohio. His insistence upon tax reform as a necessary concomitant to any extension of the surtax, in his presentation to the Senate Finance Committee, is a further testimonial to his faithful attention to the interests of the middle-income taxpayer, who is most jeopardized by H.R. 12290. I commend consideration of his statement to Members, particularly his views with respect to capital gains with which I wholeheartedly concur. This is the single biggest loophole area. His full statement follows:

STATEMENT OF CONGRESSMAN CHARLES A. VANIK, OHIO, BEFORE THE SENATE FINANCE COMMITTEE, JULY 11, 1969

Mr. Chairman: First of all, I want to express my appreciation for the declared intention of your Committee to fit meaningful revenue-raising tax reform into the surtax deliberations. Your action reflects the hopes of most of the 205 members of the House who have declared that tax reform can be achieved within the practicable timetable of this session. The 91st Congress will overshadow most of its forebears—if it could indeed become known as The Tax Reform Congress.

In our House efforts for reform we were out-manuevered—but not defeated—if our best hopes are brought to fruition by your efforts.

INVESTMENT CREDIT

In connection with the investment credit, I urge that your deliberations sanitize the repeal to insure that the exceptions are limited, explainable and justified. In the Ways and Means Committee, I urged that the repeal date of the investment credit be set back to April 1, 1969, to coordinate the change in the law with the quarterly tax period. Congress has no obligation to extend the tax privilege of the investment credit to those who exploited the failure of government to exercise more drastic efforts to slow down over-indulgence in the expansion of our industrial plant.

When it was learned by our Ways and Means Committee on the day the surtax bill was reported out that one contractor boasted the execution of $900,000,000 in contracts on the Sunday before the scheduled termination, we moved the tax termination date to Friday, Midnight, April 18th. In addition to the one group of $900,000,000 in contracts, there is reason to believe that an additional $3 billion in contracts were executed on that Sunday, and perhaps $5 billion in contracts executed on Saturday, April 19th. Two extra days of investment credit repeal affected an estimated $9 billion in contracts for a potential Treasury gain of $630 million. Setting the investment credit repeal back to April 1st, 1969, would reach a potential contract total of $35 billion for a Treasury saving of $2.45 billion. Should we provide a tax bonanza for the bad guys who flaunted the government appeals for restraint and moderation? Should we penalize the responsible portions of our business sector which deferred expansion and borrowing to help cool down the inflationary spiral?

Secondly, I urge that within the framework of the repeal of the investment credit, language be inserted to eliminate the extention of the credit on items produced in foreign countries during the transition period.

I was shocked to discover that the investment credit would apply to items of foreign manufacture. It was my belief that the investment credit was designed to stimulate domestic industry. The extension of the credit to items of foreign manufacture—even during the period of transition—is indefensible and adds unwisely to the outflow of dollars. This provision extends a seven percent incentive to items of foreign manufacture which is not reciprocated by any other country.

Almost simultaneous with the announcement of the repeal of the investment credit, the Administration announced that depreciation guidelines would be modified and liberalized to substantially make up the loss of the investment credit tax advantage. It would be tragic if the Administration would give away in increased depreciation whatever is gained by Treasury in the repeal of the investment credit. For this reason, I urge that your legislation provide at least a temporary mandate or moratorium against further liberalization of the depreciation schedules.

In our tax reform work in the House, we have agreed upon a substantial amount of reform items. We have brushed the kittens but the fat cats are still roaming the neighborhood. We have not increased taxable revenues. As a matter of fact, we have generated Treasury losses. However, in the last several days we have moved into critical areas of reform which could substantially increase revenues.

CAPITAL GAINS

Our best hopes for revenue-raising reform rest in constructive changes in capital gains preferences, by extending the minimum holding period, decreasing the tax benefit. and eliminating the alternative tax.

The minimum holding period on capital gains was two years between 1922 through 1933. In 1934 it was reduced to one year and in 1938 was increased to 18 months. In 1942 the holding period was reduced to six months where it remains today.

The Revenue Act of 1932 provided for graduated taxation of capital gains. An asset held over one year and less than two was taxable at 80% gain. An asset held over two years and not over five years was taxable at 60% of gain. An asset held over five years and not over ten years was taxable at 40% of gain, while an asset held over ten years was taxable at 30% of gain.

The Revenue Act of 1938 provided for graduated taxation of capital gains as follows: An asset held more than 18 months but not more than 24 months was taxable at 66⅔% of gain while an asset held more than 24 months was taxable at 50% of gain.

Our present schedule of capital gains taxation was adopted in 1942 under war conditions when it was believed that a sudden reduction in capital gains taxation would result in an accelerated capital movement and increased tax yields. That decision provided a slight (two-year) short-term gain in capital gains taxation and a 25 year loss of potential capital gain revenue. The decision was no bargain for the government.

I do not have a documented recommendation as to the details of a graduated schedule of capital gains taxation. It seems to me, however, that the minimum holding period for capital assets should be extended to one year—resulting in an annual Treasury gain of almost $.5 billion. An increase in capital gains taxes based on the principles of the 1932 law would be more equitable and produce about $3⅓ billion in annual revenues from capital gains and still preserve essential inducements for the investment of risk capital. Under the present law and the ease with which losses may be artificially created under the 31-day rule, too much of the risk in capital adventure is carried out by the United States Treasury.

CAPITAL GAINS AT DEATH

Under present laws, we suffer a $3 to $4 billion annual loss in tax revenues by permitting capital gains to escape taxation at death. This is totally irrational and against the public interest. This type of non-taxation encourages the prolonged holding and immobilization of assets. Rigor mortis sets in on the blocked capital long before it overcomes its owner. Philanthropy, family and

the Treasury will all benefit from a clean tax slate—with capital gains taxes paid.

INTEREST DEDUCTION

Section 265 of the Internal Revenue Code, Section 2, denies the interest deduction to financial institutions on indebtedness incurred to purchase or carry obligations on which interest income is tax exempt.

In fiscal 1965, approximately $15 billion in interest payments by individuals were deducted from the taxes due for a Treasury loss of $4 billion to $5 billion annually. For the same year, corporations utilized deductions totalling $26 billion for a Treasury loss of $9 billion. In view of the intensified borrowing in recent years, the annual Treasury loss in the interest deduction must total $6½ billion for individuals and $13 billion for corporations. High interest rates have served to multiply the interest deduction and the loss to Treasury in recent years.

There is unutilized power in the Congress to attack interest rates and to simultaneously increase tax yields. For example, a temporary suspension of the interest deduction on all debt contracted after a given date would eliminate the public subsidy for borrowing which results from the tax deductibility of interest paid. Such a provision suspending the tax deduction on all but housing debt contracted from this date could produce increased Treasury revenues. At the current rate of non-housing debt increase, a suspension of the interest deduction would increase tax revenues by almost $4 billion and guarantee an almost instant reduction in interest rates to acceptable and tolerable levels.

This is strong medicine—but the patient is very sick with high-interest fever. It takes this kind of legislative remedy to precipitate a return to normalcy from the high-interest fever which threatens to destroy our economy. This is tax reform which attacks high interest.

DEPLETION ALLOWANCE

I certainly hope that your Committee will provide for a reduction of depletion allowances to levels which meet the criteria of justification. The 27½ allowance was made arbitrarily and without any relevance to need. The depletion should be reduced to a percentage level that can be justified. The reform should endeavor to reach intangible drilling and deplorable bookkeeping procedures which avoid fair taxation.

In any event, there is no justification I can think of for extending the mineral depletion allowance extra-territorially to American investors in foreign countries. Some of these investors have multiple depletion allowances from America and the host country. When depletion allowances for foreign extraction is combined with the benefits of the foreign tax credit—there is little left for the United States Treasury. In the meanwhile, billions of dollars of our foreign commitments in aid and military assistance are spent to protect these investors from other foreign invaders and from the people of the host country who are coming to resent our extraction of their mineral wealth.

The elimination of the foreign mineral depletion privileges coupled with a sizable reduction in the privilege of domestic mineral and oil extraction, should raise $2 billion annually without adversely impairing the national security or the multiplicity of incentives for search and development.

CONCLUSION

What is going on right now in the House Ways and Means Committee and the fervor with which your work has begun here—bears the hallmark of The Great Race for Reform. Both of our Committees are making reality from what was considered the impossible. The anguish of the taxpayer has gotten through to the Congress.

In this contest for achieving a higher degree of tax justice, there are 70 million winners, the overwhelming majority of American taxpayers who pay the full tax assessment through withholding—the taxpayers who have no haven, no tax shelter—no special line of defense from the tax collector.

We are engaged in one of the most vital tasks of the legislator. We know what needs doing—and we must do it. We have been preparing for this day for a long time. We must not fail the taxpayer who has patiently waited an even longer time.

PROPOSED BAIL REFORM LEGISLATION

(Mr. McCULLOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. McCULLOCH. Mr. Speaker, yesterday I introduced legislation proposed by the President which would amend the Bail Reform Act of 1966 in order to reduce crime committed by persons released on bail. The distinguished minority leader (Mr. FORD) the distinguished chairman of the House Republican conference (Mr. ANDERSON) 12 Republican members of the Judiciary Committee and 10 other Republican Members of this body joined with me in cosponsoring this most important legislation.

On January 9, 1969, together with 21 cosponsors, I introduced H.R. 2781, a bill which would amend the Bail Reform Act to authorize pretrial detention of certain classes of defendants deemed to constitute a danger to the community. The administration bill which I introduced yesterday, H.R. 12806, embodies the same concepts contained in my original bill with certain changes, such as provision for a detention hearing, designed to more fully insure that due process rights of the accused are fully protected.

Under the Bail Reform Act of 1966, no defendant in a noncapital case may be detained prior to trial. The sole criterion which the judicial officer may apply in setting conditions of release or the posting of monetary bond is the need to assure the defendant's appearance at trial. The court is not permitted to consider the possible danger to the community posed by the defendant—that is, the possibility that he will commit further crimes—in prescribing conditions of release.

The problem of crime committed by persons released on bail in the District of Columbia has become ever more acute since 1966. About 10 percent of all persons indicted in the U.S. District Court of the District of Columbia commit these crimes while out on bail in connection with another felony case. The rearrest rate among persons charged with robbery and released on bail, for example, has ranged between 60 and 70 percent.

The bill which I introduced yesterday, like the Bail Reform Act itself, would be applicable in the District of Columbia and in Federal courts throughout the country as well. The bill would give the courts authority to consider danger to the community in setting nonfinancial conditions of release on bail. It would also provide for pretrial detention for up to 60 days for certain defendants who are found to be dangerous to the community.

Pretrial detention is already authorized for persons charged in capital cases. The bill would authorize pretrial detention, after hearing, of:

First. Persons charged with a "dangerous crime." This would include certain offenses with high risk of additional repeated public danger; for example, robbery, rape, and sale of narcotics.

Second. Persons charged with a "crime of violence" who are out on bail in connection with another crime of violence or who have been convicted of a crime of violence in the preceding 10 years. "Crime of violence" is defined more broadly and covers the whole range of violent crimes.

Third. Persons charged with crimes of violence who the court determines, after hearing, to be narcotic addicts.

Fourth. Persons who threaten witnesses or jurors, regardless of the offense with which they are charged.

I understand that only about 10 percent of the persons arrested in the District of Columbia, for example, would fall within one of these four categories. It should be emphasized that all other arrested persons would not be subject to the provisions of the proposed act.

All of the following findings must be made by the court before pretrial detention is permitted:

First. There is clear and convincing evidence that the defendant falls within one of the four categories of persons subject to the provisions of the act.

Second. No condition of release can reasonably assure the safety of the community.

Third. There is a substantial probability that the defendant committed the offense with which he is charged.

Only those few persons who meet all these tests may be temporarily detained prior to trial. These findings must be made after a detention hearing at which the defendant is entitled to present information, testify, and present and cross examine witnesses. The judicial officer must then enter a written order with his findings and reasons, and, of course, the defendant retains the right to appeal from such findings. Confinement, where possible, must be in facilities separate from those used for convicted persons. The defendant must be granted an opportunity to prepare his defense, including release in the custody of appropriate persons where necessary. And most important, if the defendant is not tried within 60 days, unless delay is due to the defendant, he must be released.

The Bail Reform Act contains no specific sanctions for violating conditions of release. The bill provides two types of sanctions. First, release may be revoked and the defendant detained if upon hearing the U.S. attorney establishes "clear and convincing evidence" of violations and the court finds that no additional conditions of release will protect the community or prevent flight. Alternatively, the defendant may be tried for criminal contempt and sentenced up to 6 months.

The bill also creates added penalties for persons who jump bail and persons who commit crimes while on bail.

Mr. Speaker, I wish to make clear that I am in accord with the basic objectives of the Bail Reform Act, particularly in-

sofar as it provides a means for the quick and equitable release pending trial of the majority of persons who are not chronic criminals or virtual professionals in the art of violent crime. I also realize, of course, that the Bail Reform Act is certainly not the major reason for the sharply rising crime rate.

However, when under the Bail Reform Act—regardless of the gravity and circumstances of the crime, the weight of the evidence, or the past history and dangerous character of the accused—the arraigning magistrate is forced to regularly release back to the streets, on nominal or relatively low bail or on personal recognizance or other seemingly ineffective conditions, perpetrators of the most vicious crimes, to continue preying on the public until trial—often at some far future date—then I believe it is time to amend the law.

There has now been sufficient experience under the 1966 law to demonstrate that it is proving a windfall to the chronic violent criminal. I feel that the law, as it now stands, may be of more benefit to the habitual criminal then it is to those for whom it was designed, and that it is turning into something of a catastrophe for the law-abiding public, which is the victim.

PROPOSED BAIL REFORM LEGISLATION

(Mr. McCLORY asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. McCLORY. Mr. Speaker, I joined yesterday in cosponsoring the administration's proposed bail reform legislation, introduced by Mr. McCULLOCH, because of my deeply felt conviction that we in the Congress must make a start in dealing with the unacceptable rise in the national rate of crime. As Attorney General Mitchell stated at a conference on "Crime and the Urban Crisis" in early February:

> The simple fact is that crime is intimidating us, and our inability to control crime is a courtship with national disaster.

It is my hope that by focusing congressional attention on the problems dealt with by this legislation, we can devise new initiatives in the battle against criminal activity. We understand, of course, that by strengthening our pretrial release procedures we treat only the sickness; we do nothing to reduce the chances that others too will become sick. However, we are aware also that as important as dealing with the root-causes of crime are, the law-abiding citizens of our Nation deserve and demand immediate consideration and protection.

Therefore, Mr. Speaker, I support President Nixon's proposal to add the concern for community safety to the concern for equal justice when making pretrial release decisions.

I do, however, have some reservations about the legislation as it is introduced today. First, although my research has not been exhaustive, the constitutionality of any preventive detention plan is somewhat suspect. Two possible constitutional attacks can and, no doubt, will be made. Opponents will raise the eighth amendment provision that "excessive bail shall not be required" to argue that an absolute right to bail exists in all noncapital cases. They will argue that to forbid judges from setting excessively high bail but to permit them to deny bail entirely would be to invalidate altogether the constitutional protection. Furthermore, the U.S. Supreme Court in *Stack* v. *Boyle*, 342 U.S. 1 (1951) emphasized the traditional importance of bail in criminal cases stating:

> Unless the right to bail before trial is preserved, the presumption of innocence . . . would lose its meaning.

On the other hand, the Supreme Court—by a slim 5 to 4 majority—held in *Carlson* v. *Landon*, 342 U.S. 524 (1952) that at least as to an alien Communist awaiting deportation, no absolute right to bail exists. Some have interpreted this as a rejection of the theory that the eighth amendment guarantees a right to bail, but it is questionable whether this decision would be extended to the criminal situation.

A second constitutional problem concerns the fifth amendment right of due process since preventive detention would deprive a defendant of his liberty prior to conviction. Traditionally, however, in any analysis of due process the interests of society are balanced against the liberties of the individual and therefore, if sufficient safeguards are provided in the preventive detention plan to insure that fundamental fairness is not violated, it would appear that this argument can be successfully met.

The plan introduced has, as Tom Wicker admitted in the New York Times of Sunday, July 13, 1969, "about as many safeguards for the accused as possible." Perhaps it can be improved upon. The committee process will, in addition to focusing attention on the problems, educate many of us to the strengths and weaknesses of preventive detention. Perhaps we will also learn of alternative plans which would improve upon the current situation without taking the risk of wrongfully denying liberty to innocent persons.

Some alternatives to outright preventive detention that have been suggested and that should receive study are first, a system of restrictions on the activities and life-style of the released defendant; second, a method of expediting trials for those defendants who present, while free, the greatest threat to the community; third, a reexamination of sentencing and parole procedures to provide for increased punishment for offenses committed while free on bail awaiting trial. Although the President's proposal utilizes these alternatives, it does so concurrently with effectuating a plan for preventive detention. Perhaps some combination of these alternatives might be more desirable than the plan introduced, especially given our present inability to predict with any great accuracy which defendants will be recidivists. We will all no doubt follow the committee hearings on this subject with intense interest and it is my hope that legislation will emerge that will strengthen society's hand in dealing with the problems of crime.

ATTACKING THE EVILS OF HARD-CORE UNDEREMPLOYMENT

(Mr. McCLORY asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. McCLORY. Mr. Speaker, on July 7, 1969, H.R. 12598 was introduced by my colleague from Georgia, (Mr. BLACKBURN) and nine Members including myself to provide a broad attack on the evils of hard-core underemployment.

The Nation is becoming aware that the slum dweller, no matter whether he be black or white, is often caught in a vicious cycle of poverty. Because of a lack of adequate training he is frequently unable to find worthwhile employment. As a result, he and his family are economically obligated to live in a ghetto where his children are likely to go to poorly equipped schools, play on garbage strewn streets and develop the "turnon, drop-out" philosophy that can only result in future unemployment, crime and perhaps riot. Unquestionably, we must begin to break this cycle of poverty, if only to prevent the disintegration of the American society.

H.R. 12598 attacks the evils of unemployment by providing new financial incentives to the private sector to hire and train the undereducated and the unskilled. This approach is consistent with President Nixon's pledge to send to Congress a program of tax credits, designed to provide new incentives for the enlistment of additional private resources in meeting our urgent social needs.

H.R. 12598 would, under title I, provide American industry an income tax credit of 15 percent for most employee training expenses. Further, under title II, smaller employers would receive a direct refund of up to 50 percent of the wages paid to qualified trainees during the training period. Significantly, title II would require that the employer provide the trainee an opportunity for continued employment after completing the training period.

Mr. Speaker, the American businessman has indicated over the years that he sincerely wants to contribute to solving the important social problems with which our Nation is faced. This bill, if enacted, would make such contributions profitable. Is there a motivation more likely to obtain positive results? I think not.

I urge my colleagues to give this proposal their most serious consideration.

MEDICARE IN MEXICO AND CANADA?

(Mr. CLEVELAND asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. CLEVELAND. Mr. Speaker, the opportunity to travel is a well deserved aspect of a retirement that many senior citizens look forward to. Some also choose, as should be their privilege, to live in a foreign country for reasons of climate, cost, or other considerations.

It would seem logical that if a senior citizen for his own good reasons elects to travel or live outside of the United

States, this decision should not cost him medicare benefits to which he would otherwise be entitled. But this is not the case.

I have introduced a bill, H.R. 8926, to insure that eligible persons who are taken ill while in Canada or Mexico and require immediate hospitalization outside the United States, would be covered by medicare. This proposal is an important step toward rectifying what I consider to be an unfair situation.

My bill would allow senior citizens to spend a vacation in Mexico, visit relatives in Canada, or retire to one of these neighboring countries, secure in the knowledge that their medicare protection will travel with them beyond the borders of this country.

For the benefit of my colleagues and the many readers of the RECORD, I include an editorial on this subject published on July 7 in the Times, a Mexico City newspaper:

MEDICARE FOR MEXICO

Not only the vote is lacking. Medicare is too. As with the vote, a flood of mail to US lawmakers could help this cause. There is still time. Rep. James C. Cleveland reintroduced Bill H.R. 8926 last March to get Medicare for retired Americans extended to Canada and Mexico. This would actually represent a saving to US taxpayers. Medical costs in the US are soaring, hospitals are overcrowded. Mexico has well-equipped ones, very competent physicians, and could administer US patients the same treatment they get at home for about one-fourth the cost.

Yet to get Medicare, a retired US citizen must be physically in the US at the time illness, a heart atack or an accident hits him. Rush for the border when bedridden? It makes little sense. It works a hardship on the tourist or resident. It hurts tourism by the elderly to Mexico—who would otherwise be free the year around to travel—but often won't because they feel unprotected when abroad. By writing one's own congressmen, urging friends in the US to do the same, or directly to Rep. Cleveland, this situation could be changed. There are hundreds of retired Americans here, in Guadalajara, scattered throughout resort areas of the Republic. Being disenfranchised with the vote is bad enough. This other disenfranchisement is worse. It could be lethal in a moment of need.

"SCHOOL DESEGREGATION, NORTH AND SOUTH," A "FACTS & ISSUES" REPORT OF THE LEAGUE OF WOMEN VOTERS OF THE UNITED STATES

(Mr. BRADEMAS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BRADEMAS. Mr. Speaker, surely one of the most significant and difficult problems facing our country is that of desegregation of the Nation's schools, in keeping with the rulings of the Supreme Court of the United States and other Federal courts.

One of the most useful compilations of information concerning the present status of school desegregation in the United States is found in the June 1969 issue of Facts & Issues, published by the highly respected League of Women Voters of the United States.

I insert the text of this issue, entitled "School Desegregation, North and South," at this point in the RECORD:

SCHOOL DESEGREGATION, NORTH AND SOUTH

"Separate educational facilities are inherently unequal. . . . Segregation of children in public schools solely on the basis of race . . . generates a feeling of inferiority as to their status in the community that may affect their hearts and minds in a way unlikely ever to be undone."—U.S. Supreme Court, May 17, 1954.

"The dominant fact that emerges from the recent research endeavors . . . is that educational opportunity is greater in racially balanced than in racially isolated schools . . . beyond any reasonable doubt . . . the academic attainments of both white and Negro pupils are significantly higher in majority-white classrooms than in majority-Negro classrooms."—Irwin Katz, University of Michigan, *Desegregation or Integration in Public Schools? The Policy Implications of Research.*

In the years since the Supreme Court rejected "separate but equal" schools and ordered desegregation with "all deliberate speed," the focus of concern has shifted from the problem of *de jure* segregated southern schools to the more intractable—perhaps even more politically charged—issue of racial imbalance or *de facto* segregation resulting from racially separated housing patterns in schools across the country.

Under pressure of judicial decrees and administrative enforcement actions based on recent civil rights legislation, most school districts in the 17 southern and border states which formerly operated dual school systems are now accepting some school desegregation—feared by some observers to be token integration at best. Racial imbalance growing out of segregated housing patterns is most severe in the cities of the north and west, but experts note a trend toward such *de facto* segregation in the south as well.

There is growing recognition that compensatory education programs aimed primarily at inner-city schools often tend to reinforce patterns of racial isolation. Moreover, the increasingly vigorous drive for local community control of schools, often linked with demands for black (or white) separatism, will doubtless impede progress toward greater racial balance in many areas.

It is important to note that issues of racial balance affect various minority groups, e.g., Mexican-Americans, American Indians and Puerto Ricans. But because the Negro minority's problem is greatest in terms of total numbers and national scope, this paper treats the issue solely in terms of black-white balance.

DESEGREGATION: STATISTICAL YARDSTICK

America's metropolitan areas

The U.S. Civil Rights Commission's March 1967 report, *Racial Isolation in the Public Schools*, documents extensive and increasing racial isolation in public schools of more than 100 city school systems sampled. Although the problem is most severe in the great metropolitan areas where two-thirds of the nation's population now live, the commission found that extent of student segregation was not necessarily related to the size of the school system, the proportion of Negroes enrolled or location in north or south. In 75 representative cities, the commission found (1965–66 school year):

75% of the 1.6 million Negro elementary school children attended schools in which student bodies were more than 90% Negro.

83% of the 2.4 million white elementary school children attended schools whose student populations were more than 90% white.

Nearly 90% of all Negro children in these 75 cities attended elementary schools in which student bodies ranged from 50.5% to 100% Negro.

More significant, the commission found rapid growth of segregation in the 13 years following the Supreme Court ruling in the *Brown* case:

A survey of 15 northern school systems showed an increase in Negro enrollment of 154,000 pupils since 1950—130,000 of these Negro students in schools where student bodies were more than 90% Negro.

In southern and border cities, the *proportion* of Negroes attending all-Negro elementary schools decreased, yet the *number* of children attending racially isolated schools *increased*—a result of rising Negro school enrollments combined with only slight desegregation.

Major factors in growing racial isolation have been the massive rural-to-urban, south-to-north-and-west Negro population migration of the past 30 years and the explosion of suburban development since 1950. Both have produced concentrations of low-income Negroes in central cities surrounded by white middle- and upper-income suburbs. While latest census data show a significant slowdown in Negro migration into central cities, marked changes in racial residence patterns seem unlikely in view of population patterns of the past decade plus the recent significant speedup in the rate of white migration to the suburbs.

Eleven Southern States

After a slow start during a decade marked by political obstructionism, harassment and open violence in some areas, the pace of desegregation has speeded up in the south—20.3% of an estimated 2.5 million Negro students in 11 southern states attended desegregated schools in the 1967–68 school years, compared with 13.9% the previous year and 2% in 1964–65, according to the Department of Health, Education and Welfare (HEW). Defining a desegregated school as one attended by Negroes, in which at least 50% of the students are white, HEW surveys show that desegregation has progressed more rapidly in districts complying with federal administrative guidelines issued under Title VI of the Civil Rights Act of 1964 than in districts desegregating under court order. States in the deep south have the lowest percentages of Negro students attending desegregated schools.

The pace of southern desegregation has therefore been accelerated by greater emphasis on Title VI compliance, rather than court action, as a tool to promote desegregation; more demanding qualifications ("guidelines"), including a requirement for complete desegregation by the 1969–70 school year; and more effective monitoring of progress under Title VI proceedings than is possible in court-ordered desegregation plans. But this progress should not obscure serious problems remaining in the south:

Some 2 million Negro children, or 80% of the total Negro school population, still attend segregated schools, according to HEW—and some experts criticize HEW data as overly optimistic.

So-called "freedom-of-choice" open-enrollment plans adopted by most southern districts have for many reasons failed to bring about actual school desegregation. In May 1968, the U.S. Supreme Court ruled unanimously (*Green v. County School Board of Kent County, Virginia*) that a freedom-of-choice plan could not be "an end in itself." A school board "must establish that its proposed plan promises meaningful and immediate progress toward disestablishing state-imposed segregation." Freedom-of-choice districts now must prepare new plans to assure desegregation by the 1969–70 school year.

More than 120 school districts have chosen to operate without federal aid funds rather than prepare acceptable desegregation plans.

"Significant" numbers of white students attend segregated private schools in many southern states. According to the U.S. Civil

Rights Commission, establishment of the "vast majority" of these schools "undoubtedly was influenced by" the 1954 Supreme Court decision. Their organization was "encouraged and facilitated" by availability of state-financed tuition grants; *in some cases, public school desegregation was made a criterion of eligibility for tuition aid.* Some of these segregated private schools have been granted tax-exempt status by the Internal Revenue Service, and the commission found "tax-deductible contributions from private citizens . . . constitute an important source of financing." On December 9, 1968, the U.S. Supreme Court affirmed lower court decisions barring South Carolina and Louisiana state tuition grants found to be designed to circumvent anti-discrimination requirements. In February 1969, a three-judge Federal Court of Appeals voided the Virginia tuition grant plan, ruling that "any assistance whatever by the state towards provision of a racially segregated education exceeds the pale of tolerance demarked by the Constitution."

The press reports mounting public and congressional pressure for a slowdown in desegregation, just as Title VI enforcement staffs come to grips with the most difficult southern districts. Harassment and threats of violence still deter desegregation in some areas.

Northern and Western States

HEW is currently gathering the first detailed statistics on racial enrollment patterns in the north and west. Until these figures are released later this year, the best data available are the Civil Rights Commission's 1967 estimates on enrollment in 75 cities.

THE GUIDELINES DESIGNED FOR SCHOOL BOARDS

HEW's Policies on Elementary and Secondary School Compliance with Title VI of the Civil Rights Act of 1964 (the "guidelines") are often criticized as arbitrary or overly demanding. HEW's former director of civil rights compliance maintains that these guidelines are "no more than documents saying what the courts have said, a convenient method for telling [school boards] what is expected of them." The guidelines are continually subject to review in light of new court decisions.

Guidelines published in March 1968 for the first time imposed a time limit (start of the 1969–70 school year) for achieving complete desegregation. A few districts have been allowed a one-year extension, to September 1970, to complete desegregation.

These policies do not require the correction of racial imbalance arising from private housing patterns; neither do they bar local school systems from reducing or eliminating such imbalance.

To qualify for federal aid-to-education funds, all local school boards must:

Eliminate and prevent discrimination in all services, facilities, activities and programs, including transportation, athletic and extra-curricular activities, remedial and guidance services.

Eliminate student assignment or transfer policies, school attendance zones and school feeder patterns which segregate students on basis of race, color or national origin.

Locate new schools or other educational facilities in a nondiscriminatory manner.

Assure nondiscriminatory policies in hiring and firing, assignment and promotion of professional staff. School faculties must be integrated so that a school is not identifiable by the racial makeup of either faculty or students.

Assure that minority students are not denied equal educational opportunity by such practices as overcrowded classes, fewer qualified teachers, less-adequate curricula, textbooks, equipment, facilities or services or lower per-pupil expenditures. "Providing equal educational opportunity does not, however, require school systems to offer an identical educational program for each student. . . ."

Title VI—Noncompliance proceedings

If HEW enforcement officials are unable to obtain voluntary compliance with these requirements, they may initiate compliance proceedings with a formal notice to the school district. Determination of noncompliance by a HEW hearing examiner is subject to review by a three-member board within HEW before final decision by the Secretary. The Secretary must notify appropriate House and Senate committees 30 days before a proposed fund cutoff, with a full written report of circumstances and grounds for such action. If funds are cut off, they can be restored if the district adopts policies in compliance with guidelines.

Title VI enforcement in Southern and border States

From 1965 to 1968, HEW concentrated enforcement efforts in those states which had formerly operated dual school systems.

As of May 22, 1969, 515 enforcement cases had been initiated since the program's start; 228 of these districts were involved in current enforcement proceedings—including 123 districts whose federal aid funds had been cut off. Some 217 districts against which enforcement proceedings had been initiated had complied with desegregation requirements at some stage before cutoff; and 70 districts whose federal aid funds had been terminated had moved to comply and were again receiving federal funds.

Because aid to disadvantaged children comprises a large portion of federal aid monies, fund cutoffs often most hurt the neediest children. Nevertheless, Title VI enforcement is regarded as an effective tool for promoting desegregation, particularly in the rural south.

SEGREGATION IN THE NORTH

De facto segregation has been widely understood to arise as an inevitable result of a neighborhood school policy simply reflecting racially segregated housing patterns developed over the past 30 years or more. But *de facto* as well as *de jure* segregation often flows from conscious political or economic decisions of public or semi-public bodies. School boards, as agents of the state with power to levy taxes and enact regulations having the force of law, in effect enact *de jure* segregation when they deliberately draw boundary lines or locate school facilities in a manner to preserve racially segregated "neighborhood schools." Moreover, some authorities assert, residential segregation did not arise naturally but from preconsidered acts of powerful real estate interests supported by influential community groups and public agencies.

State legal or administrative actions

In 1963, the New York State Commissioner of Education initiated directives requiring local school officials to develop plans for eliminating racial imbalance (defined as a school having 50% or more Negro pupils enrolled). The same year, New Jersey's chief state school officer, responding to citizen petitions, directed school desegregation in three communities. Since that time, a dozen states have set up official bodies to further desegregation. Several state courts have upheld such state-sponsored efforts.

Massachusetts and California have enacted state laws to correct racial imbalance. Massachusetts law requires local school districts to correct imbalance in schools more than 50% nonwhite and gives the State Department of Education authority to withhold state education funds from noncomplying boards. California law lacks such sanctions; state policy grants prevention and elimination of racial imbalance "high priority" in school planning and provides that a district shall consider an integration plan when any of its schools have minority enrollments varying more than 15% from district-wide averages.

In 1968, the U.S. Supreme Court in effect upheld the Massachusetts law by refusing to review lower court decisions backing the law against a challenge by the Boston School Committee, ruling that the suit at issue failed to raise "a substantial federal question."

Racial imbalance challenged in courts

Decisions by federal courts in a series of cases indicate that *deliberate* segregation is unconstitutional even when less than complete and accomplished by inaction rather than by action. The key decision (1963) states:

"The neighborhood school policy certainly is not sacrosanct. It is valid only insofar as it is operated within the confines established by the Constitution. It cannot be used as an instrument to confine Negroes within an area artificially delineated in the first instance by official acts. If it is so used, the Constitution has been violated and the courts must intervene." (*Taylor v. Board of Education, New Rochelle, N.Y.*)

Responsibility of public school authorities to eliminate segregation *not* shown to result from deliberate official discrimination is not yet clear. The Supreme Court has not ruled on the issue, and lower federal courts and state courts are divided. Most courts have held that school boards in such situations are not obligated to remedy imbalance. In 1965, the Supreme Court let stand an Appeals Court decision which held that the Constitution prohibits segregation but does not require integration. The Supreme Court ruling in the *Green* case (May 1968), holding "freedom-of-choice" enrollment plans inadequate if they fail to bring about racial balance, applies only to states which previously maintained dual *de jure* systems.

In upholding state and local desegregation plans, the courts have held it is not unconstitutional to take race into account in assigning students to schools.

Administrative enforcement under title VI, 1964 Civil Rights Act

Racial imbalance *per se* is not illegal. Title VI of the 1964 Civil Rights Act bars *federal* government action to correct racial imbalance arising solely from housing patterns. Congressional anti-busing directives forbid any federal *requirement* for school busing to remedy racial imbalance; *local* school districts which choose to use busing, however, may get federal funds to aid in planning or operations.

Prior to 1968, the only effort to implement Title VI in the north was the unsuccessful attempt to withhold funds from Chicago schools in 1965. In 1968, HEW launched an enforcement program aimed at northern districts in which racial isolation could be shown to result from deliberate acts of local school boards or governing bodies, e.g., gerrymandering of boundaries, inequitable assignment procedures or school construction decisions that increased racial concentration. (Expansion of the northern desegregation effort stems in part from a FY 1968 appropriations rider sponsored by Sen. Richard Russell (D., Ga.) requiring HEW to enforce civil rights standards as vigorously in the north as in the south.)

To date, HEW has investigated 40 school districts in small to medium size cities in 13 northern and western states. (HEW officials acknowledge they have not touched the problem in the larger cities.) Six districts (one each in New Jersey, Missouri, Ohio, Pennsylvania, Michigan and Kansas) have been warned to produce acceptable desegregation plans or risk loss of federal funds; two districts have complied. In April 1969, HEW

began formal action toward cutting off funds for Ferndale, Michigan, the first northern district subject to such action. Cases in two additional districts (Pasadena, California, and Waterbury, Connecticut) have been referred to the Justice Department for possible legal action.

Desegregation enforcement in the north will be slow and piecemeal—documenting discriminatory practices is difficult and time consuming; enforcement staff is small, and political pressures pose special problems.

"The law is on the books, and we're going to enforce it nationally, not just in the south," HEW Secretary Robert H. Finch has promised. At the same time, he suggested past enforcement efforts were overzealous, that federal standards should be more "realistic." As pressures intensify from both sides, the Administration's future actions on desegregation enforcement will be viewed with keen interest in both north and south.

TECHNIQUES ADOPTED TO ACHIEVE BETTER RACIAL BALANCE

Local districts have adopted various techniques to meet situations where simple boundary changes or strategic location of new school facilities cannot produce racial balance. These include:

Pairing. Merge two or more nearby school areas so that each school serves different grade levels for a new and larger attendance zone.

School closing or conversion. Close a segregated school, assign its pupils to other schools and, if possible, convert the formerly segregated school to special-purpose use.

Single-grade or central schools. Convert one or more schools into central facilities for a single grade serving all or a large part of the city.

Magnet schools, supplementary centers. Offer special curricula to draw children from a wide geographic area for full-time or supplementary part-time attendance.

Education complex or cluster. Group several schools administratively and geographically to pool teachers and services and regroup staff and students.

Educational park. A large, consolidated campus arrangement grouping schools for varied age levels for children from many neighborhoods.

Busing within school district. Transport children from majority-black school to majority-white school within district, or vice versa.

Inter-district busing. Usually moves inner-city Negro students to suburban predominantly white schools.

FEW RACIAL BALANCE PROGRAMS OPERATE

Many communities have studied plans for racial balance, but few programs are actually in operation. While no one of the above techniques can resolve big-city segregation, authorities believe each is of educational value if well planned and executed. Limited plans can be expanded, serve as models and help to crack entrenched customs.

In the long run, many authorities believe, the only real solution to racial imbalance will be through a metropolitan approach that frees student assignment policies from limits imposed by district boundaries and fiscal requirements. It is important to counter certain widely held misconceptions:

Re school district boundaries. District lines are not sacrosanct; they are a matter of political will. In the 1950s, there was a strong nationwide trend of district consolidation, primarily for economic reasons associated with declining population in rural areas.

Re neighborhood schools. Special-purpose schools drawing from a wide geographic area have operated successfully for many years in certain areas.

Re school busing. Much opposition to efforts to improve racial balance has focused on busing as a technique for countering efforts of residential patterns. Opponents suggest that busing is uncommon and/or unwise. In fact, a recent HEW study notes: "90% of all districts bus students for one reason or another . . . to desegregate schools . . . [or] to improve the quality of education for their children."

Moreover, recent case studies have shown that school boards have not been averse to busing which is designed to *separate* white and Negro children.

Commitment is needed

Based on its studies of several local desegregation programs, the Civil Rights Commission identifies five key elements needed for successful desegregation: committed leadership by local and state officials; participation by all affected elements in the community; efforts to improve quality of education for *all* children, not just for minority-group children; careful staff selection and training, advance preparation of students for new experiences; desegregation of individual classrooms within schools and availability of supportive services for children needing remedial help.

ACTION PROPOSED TO SPEED DESEGREGATION

Prospects for congressional approval of new legislation to speed desegregation do not appear very promising for the near future, and the Nixon Administration's attitude toward expanded administrative efforts remains unclear. Current proposals for new or expanded federal or state government action include the following:

Congressional action

1. Enactment of uniform national standards for elimination of racial isolation.

2. Expansion of federal assistance aimed at increasing supply of low- and moderate-income housing throughout metropolitan areas, to reduce concentration of such projects in inner-city areas.

3. Expanded budget support for technical aid in desegration planning, including more funds for busing schemes where local districts wish to use this method.

4. More funds for Title VI enforcement efforts. As of March 1, 1969, HEW employed 51 staff members to enforce desegregation in some 4,500 southern and border-state districts. This year, the northern-western enforcement staff is to be expanded from 53 to 61 for nearly 20,000 districts—a tiny staff for the task.

Federal administrative action

5. Requirement by Department of Housing and Urban Development that approval of applications for low- and moderate-income housing projects or urban renewal plans be contigent on site selection and project planning that will help reduce racial concentration in housing, thus reducing racial isolation in schools.

6. Justice Department action to encourage courts supervising desegregation in certain southern school districts to revise early decrees to conform to more rigorous standards in administrative guidelines.

7. Internal Revenue Service denial of tax exemptions held by certain segregated private schools established in the south to avoid public school integration.

Proposals for State government actions

8. Adoption of statewide, long-term integration plans with support for metropolitan planning and urban-suburban cooperation.

9. Adoption of statewide standards, with both financial incentives and penalties to encourage racial balance.

10. Revision of state education aid formulae which often provide more financial support for rural and suburban schools than for city school systems, thus reinforcing existing inequities in per-pupil spending based on school district tax resources.

ADDRESS BY CLAUDE S. PHILLIPS, JR., PROFESSOR OF POLITICAL SCIENCE

(Mr. BRADEMAS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BRADEMAS. Mr. Speaker, a most thoughtful discussion of the relationships among students, faculty and administration in international higher education is contained in an address delivered on April 18, 1969, by Prof. Claude S. Phillips, Jr.

Dr. Phillips is professor of political science and director of the Institute of International and Area Studies, at Western Michigan University at Kalamazoo, Mich.

His remarks were delivered at the annual spring conference of the Michigan Association for Higher Education and Wayne State University.

I insert Professor Phillips' address at this point in the RECORD:

STUDENT-FACULTY-ADMINISTRATION RELATIONSHIPS IN INTERNATIONAL HIGHER EDUCATION

(By Claude S. Phillips, Jr.)

Probably the first thing we note in the title is that we are concerned with a relationship, in this case of student, faculty and administration. One approach would be to emphasize the student end of the relationship in response to student-initiated movements related to sex, drugs, discipline and grading. Another approach would be to emphasize the generation gap and argue, as Margaret Mead does so persuasively, that "as long as any adult thinks that he, like the parents and teachers of old, can invoke his own youth to understand the youth before him, he is lost." [1]

However, I cannot deal with sex and liquor, exciting as they are, or with the generation gap, deplorable as it is to anyone over thirty. The relationship with which this paper is concerned is qualified by the phrase "in international higher education". That qualification, of course, is not self-explanatory. For example, some of you might think that I am going to describe student-faculty-administration relationships in various universities around the world. Valuable as that might be, I doubt that I am qualified to do it. My own personal experience involves only two foreign universities, one in India and one in Nigeria. In India, in the summer of 1961, I witnessed a student strike to oppose an increase in fees and to protest the introduction of a general education requirement in the curriculum. The argument used against general education was that most of it was not "relevant" to the student's main subject of study. "I want to be a chemist," one of the students told me, "so why should I study world history, economics and political science?"

In Nigeria in the fall of 1961, I listened as members of the student union condemned the Peace Corps as a nest of CIA spies and demanded of their government that the spies be sent home. In this case, the students were interested in foreign policy and not curriculum matters, and told their government in no uncertain terms what the foreign policy should be. In both the Indian and Nigerian cases, university administrators counseled students not to be rash, and faculty members were conspicuously absent. In both cases, politicians and news media were especially verbose. In both cases, the students lost.

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I give you these two cases, not to pile up other illustrations from around the world, but to point out the parallels we see in student protest movements in our own universities and colleges. Yet when the cases I mentioned occurred in 1961, our own students were still referred to as the silent generation. What a difference eight years have made! Our students, as well as students in many different countries, are striking, rioting, seizing university buildings, and presenting demands on many subjects. The range of their grievances is broad indeed. Students, abetted by some professors, have torn universities apart to protest government policies, domestic and foreign. With equal vigor they have protested disciplinary rules, the investment of endowments, the hiring and firing of professors, the curriculum (both what *is* offered and what is *not* offered), and the whole decision-making process of the university. "Relevancy" has become the catchword of the day. Not only must the course of study be relevant to each student, but the university must be relevant! These demands have put serious strains on the university, created doubts in many quarters about the purposes of higher education, and revealed that many of us have indeed become middle-raged.

Let us be clear of our context. Most students probably have only one goal, to get a degree as quickly and easily as possible. On the other hand, two to three percent of the students are thorough-going activists. Some of these want to destroy the university and apparently have no educational goals related to the present system. Others merely want changes peculiar to their group or conforming to their political and sociological interests. In between the dormant and activist groups is a large group of uneasy students. As Professor Joseph J. Schwab of the University of Chicago has concluded from a recent study, "the current of dissatisfaction and uneasiness about college curriculum runs deep and well beyond the borders of the highly audible protest groups."[2]

The target of discontent and criticism has been the college of arts and sciences and the graduate school, not the professional schools of education, business, engineering, etc. The attacks, therefore, have been on the very heart of the college and university. More precisely, the attacks have been aimed mainly at, and dissenters have come mainly from, the social sciences and humanities. To be even more precise, the social sciences have received the greatest challenge concerning relevancy.

RELEVANCY

Relevancy, therefore, becomes a key term, and we ought to deal with it. It is generally agreed (though not by Robert M. Hutchins and his followers) that the American university has three functions:

1. Teaching, i.e., the transmission from one generation to the next of the accumulated knowledge and wisdom of human culture in its broadest sense;

2. Research, i.e., the acquisition of new knowledge and wisdom; and

3. Service, i.e., providing to the community at large certain training, information and expertise which is peculiar to a community of scholars. The relevancy of the university, consequently, must be related to these functions. But here I would suggest that there is a long-range relevancy and a short-range relevancy. Teaching and research, I submit, must be organized primarily for long-range relevancy. They are ultimately, and continuously, concerned with the storehouse of knowledge of mankind. When they get ensnared in short-range relevancy, they invariably become nationalistic, parochial and anti-intellectual. Teaching for short-range relevancy becomes propaganda, utilizing carefully selected facts to produce desired and not intellectual ends. Research for short-range goals becomes channeled to political ends and not to new understanding which is universal and humane.

On the other hand, the service function of the university is often short-range in relevancy, training businessmen, teachers, technicians, etc., on the academic side, and providing extension services, consulting services, surveys, and various recruiting activities on the non-academic side. In regards to academic services, we have simply asserted that even people learning a skill will be better trained if their training is gained in the university setting.

The non-academic services, however, have caused some real difficulties. Students have especially protested the use of campus facilities for recruitment purposes related to the Viet Nam war. Yet only 25 years ago, and even during the Korean war, administrators, professors and students all cooperated in defense of government policy. Without arguing the merits of either case, I am simply suggesting that universities probably cannot be separated from the culture which nourishes them. All we can hope for, nay must demand, is that the university strive constantly to perform functions of long-range relevancy, recognizing that every crisis which forces it to bow to short-range relevancy weakens it seriously.

The question we must now raise is whether the university is now in the midst of a crisis which must force it to provide short-range relevancy. There is no doubt that we face problems never before faced by man, especially in methods of annihilation and in population growth. Only slightly less pressing are the threats to human survival in such areas as racism, urbanization, economic and social inequality, abject poverty and hunger, propaganda, rampant nationalism, intolerance, hatred, general violence, political corruption, public deceit, unemployment, waste of resources, air and water pollution, and scores of similar problems. Many students, and some faculty, marshal these deplorable conditions in defense of their claim that the crisis is so severe that the university must respond on principles of short-range relevancy. I agree that we live in a crisis era and that the university has a responsibility to recognize it. I disagree, however, with the assumption that the university has any short-range principles for handling the crisis. The deplorable conditions with which we must deal are not peculiar to the United States or even to Western culture. They are universal, human conditions of all mankind ensnared in the great vortex of the twentieth century. We are today caught in the culmination of great cultural forces which have finally brought all men into contact with all other men. Isolation is all but gone, nationalism is a threat not a security to human survival, science and technology are spreading through the world, communications connect us all together, change is rampant everywhere, and we are multiplying so fast that population is a greater threat to our survival than atomic war. If the university has anything to say about the human condition it can only be in terms of long-range relevancy and not in short-range palliatives. And long-range relevancy in higher education requires a perspective that is global, grounded in historical experience and explanatory. In other words, a relevant education is international, or more accurately, intercultural and universal. This places the greatest challenge of relevancy on the college of arts and sciences, because that college is the only one ostensibly committed to the liberal or general education of students.

What I have said is simple enough and sounds like a cliché with which most of us probably agree. But I now want to submit that few, if any, universities in the United States or any country that I know, have yet established truly international, universal, intercultural educational systems. I submit further that this weakness, especially in the social sciences and humanities, creates part of the frustration of students who seek relevancy. Admittedly, I know of no attacks on the curriculum which have demanded that it be made universal or cross-cultural. This, I believe, stems from the fact that we have so protected students from a universal perspective that they are not even aware of what frustrates them. Consequently, their demands for relevancy include simplistic action-oriented solutions to problems of social existence which have challenged man since his beginning. A narrow disciplinary education which is also nationalistic and parochial leaves students bereft of any grasp of their own limited problems. And it provides them with no understanding of world problems which the daily media force into their peripheral vision.

A REVIEW OF WHERE WE STAND

I will not recount here all of the efforts of the last twenty years to universalize the universities and colleges. Massive efforts from governments and foundations have been felt on almost every campus, resulting in area studies programs, new international curricula, overseas projects and seminars, AID and Peace Corps programs, and increased foreign research. The impact of these efforts to date are unbelievably small. As late as 1964, 90% of the graduates of liberal arts colleges had not had one single course which dealt with Non-Western cultures.[3] A study which I conducted showed that the high school social studies teachers in a Michigan county were overwhelmingly untrained to deal with issues outside Western Civilization,[4] a pattern which Harold Taylor found is common in the United States.[5] It is, in fact, no exaggeration to say that international studies have had little impact in higher education, less in secondary and elementary education, and practically none on the general public.

There have been modest successes, of course, as international and area studies were created on many campuses. But the original expectations have not been realized. We expected that a world perspective would gradually permeate the academic community: that faculties would see their disciplines in the context of universal manifestations and that the educated man—surely still the objective of higher education—would reflect an intellectual awareness of the human condition. Where did we go wrong? What we did was to make international studies an addendum to what already existed. We did not demand that the curriculum, the faculty and the departments be universalized but only that universalistic patches be added. This has resulted in the grand anomaly: most professors in the social sciences and humanities teach the majority of courses which deal with the United States and Europe, and a minority of professors teach a minority of courses which deal with the other two-thirds of mankind.

What we ran into, of course, was the increasing autonomy of departments. Departments now largely control the higher education process. They determine their own curriculum, select their own colleagues and establish standards for admitting students, all largely independent of any concern for a definition of the university.[6] In most social science and humanities courses one-third of the students are future teachers, but few departments even concern themselves with this fact.[7] Few departments coordinate their activities with others in the same division, much less with other divisions. Programs for majors and minors are designed for the minority who will go to graduate school. The role of the department in the liberal education of students is almost totally ignored. The trend of departmentalism, as Charles Frankel has noted, will "produce a breed of intellectual leaders who cannot speak to

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one another, or to other men, across the walls of their specialties," men who will be "learned experts who are barbarians." [8] One historian has attributed the present student unrest directly to departmentalism: "the undergraduate, hemmed in everywhere by narrow compartments, feels fragmented and frustrated," because scholars "prefer to provide definitive answers to small questions rather than tentative answers to important ones." [9]

Students, therefore, enter the university with a right to be frustrated. The world human condition impinges on them in an unprecedented fashion. We live in an era in which exponential curves are shooting almost straight up, in population, in knowledge, in technology, in communications, in urbanization, in powers of destruction, in conflict, in nationalism, and in social change. But the curve in understanding, in tolerance, in accommodation, in learning to live together, is almost a straight horizontal line from the time of Buddha to the present. Here I refer to world-wide trends which challenge the social sciences and humanities in ways which they have hardly begun to consider. Our nationalistic and parochially Western European focus has even led us to neglect our own changing culture and practically to ignore the significance of change on the world scale. And I have not even touched on other world-wide trends which we will face in the 1970's, such as overcrowding, unprecedented starvation, civil wars, revolutions, air and water pollution, transportation congestion, wasted resources, increased exploitation of resources, political and economic frustration, and undreamed-of conditions resulting from a world in which every culture seeks to accommodate itself to every other one.

Students, consequently, enter college with a great deal of apprehension. On the other hand, they enter college with almost no knowledge of the cultural world in which they live. Knowledge of their own culture is admittedly weak, so we repeat in college the courses they had in high school. This constitutes their so-called general education and we then send them on to their majors, which in history, political science, economics and sociology means more United States and some European culture. Anthropology does deviate from the pattern but neglects the great cultures of Asia and the contemporary complex cultures of the world. Students graduate from college with almost no increased knowledge of their cultural world. The largest single block of them become school teachers who repeat the cycle of ignorance. Most of the remainder go to work or enter professional schools, their formal cultural education ended. A few go on to graduate studies but even in the social sciences only a fraction will be involved in intercultural studies. Armed with Ph.D.'s, and a narrow specialization, they become the new college instructors.

Steven Muller, Vice President for Public Affairs at Cornell University, has pungently described the results. The undergraduate curriculum, he points out, is increasingly pre-professional, the courses are as narrow as the graduate seminars which the instructor had a few years before, and "the relevance of undergraduate courses to the world's and society's problems is not usually a major consideration in the determination of curricula." [10] He then exclaims that it is no mystery why students are beginning to revolt, and laments (rightly, I believe) that they attack the administration when in reality it is the faculty which is chiefly to blame for this state of affairs.

The attacks on the administration are not restricted to the most militant elements, such as S.D.S. or the Black Action Movement. Consider, for example, the testimony on campus disruption given last month before the House Subcommittee on Education. Robert S. Powell, Jr., President of the National Student Association, charged that the university alone is responsible for student unrest. "I blame our universities," he said, "for teaching powerlessness to the young people of this country, and I blame that institution and the people now responsible for its governance for creating one of the most undemocratic and authoritarian institutions through which young people must pass in order to achieve an educated adulthood." [11]

In a similar vein, David Hinshaw, president of the Association of Student Governments, charged that many administrators "have paid little attention to the intellectual and emotional arguments for student participation in university communication and policy." [12]

I submit that the students do not understand that the education with which they are displeased is largely created by the faculty. Their frustration, therefore, will surely increase. The administration, having relinquished curriculum leadership to the faculty, is unable to respond meaningfully. If it tells the students that it has little control over the curriculum, the students recoil in disbelief and anger. On the other hand, if it begs the faculty to reassess its curriculum in terms of long-range relevancy without adding new staff, the faculty recoils in disbelief and anger.

The administration is caught in a three-way vice. The board of control and public opinion harasses from above. The students and some faculty members harass from below with only whatever responsibility they impose on themselves. And the major portion of the faculty can simply demand from the sidelines that the administration take care of things as quickly as possible as long as it does not impinge on faculty autonomy. It is therefore understandable why one faculty wag has coined a new definition of the term "meaningful dialogue," to wit: "an affirmative one-word response (usually 'yes'), frequently used by college presidents after a confrontation with militant students." While this definition is understandable, I doubt that it is responsible.

Here we come face to face with an important social principle, namely that any ethical system must allocate responsibility. In the university, the main responsibility of the administration has been budgeting, student affairs, public relations, and general guidance of curriculum; of the faculty, teaching, research and specific development of curriculum; and of the student, learning. Collectively, the ethical purpose of the university has been the creation of new generations of educated people and the acquisition of new knowledge and understanding. Student demands to be involved in the determination of curriculum now challenge that ethical system.

It appears to be a matter of simple logic to say that in any teacher-student relationship, the responsibility of the student is to learn. We are now faced with the situation where the learner wants to tell the teacher what he wants to learn. Such demands are basically anti-intellectual. They presume that ignorance, when accompanied by intense emotional commitment, can organize and direct the intellectual community. On the other hand, we have admitted that students have considerable justification for condemning at least the social science education they are getting, They have reason to suspect that what they are being taught provides them with little of the knowledge they need to cope with survival in today's world.

WHAT CAN BE DONE?

It must be clear now that the student-faculty-administration relationship with which I am concerned rests in the international or universal *content* of higher education. We are indeed concerned with that dismal subject called curriculum. Students sense that whatever higher education should deal with, a minimum requirement is that it deal with the world in which man lives and with man himself. It must not only be concerned with explaining how the present got to be what it is, but in marshaling the alternatives for future understanding which current knowledge and research can provide. It is no criticism of students, however, to observe that they do not know what kind of a curriculum must be established. If they knew that, there would be little need for them to be in college.

On the other hand, when we charge that the curriculum has become nationalistic, parochial and self-serving of narrow faculty interests, it is meant to be a criticism of faculty and administration. In other words, faculty and administration must re-examine their criteria for curriculum development before students can be brought into a new, more meaningful relationship with them. Criteria of curriculum development which have long-range relevancy would, I submit, require (1) the universalization of the social and behavioral sciences, and (2) administrative leadership in defining the social and behavioral sciences. (Although I will henceforth restrict my remarks to the social and behavioral sciences, much of what I say would apply also to the humanities.) Let me, therefore, expand on the two criteria.

1. *The universalization of the social and behavioral sciences.* The main characteristic of the social sciences since World War II is that they have become more and more scientific. This has greatly enhanced our knowledge of social processes and social behavior. However, the increasing emphasis on technique has had two unfortunate results: it has led to rigid departmentalism, and it often fails to convey a sense of relevancy at both the graduate and undergraduate levels. In view of the impact of science on all our lives, it is difficult for me to imagine that a scientific approach could be taught in such a way as to be irrelevant and I suspect the irrelevancy stems from the departmentalism rather than science.

A call for universalism is not as revolutionary as it sounds. It is based on trends already present in the social sciences, trends which will modify but not destroy departmentalism, trends which have a built-in relevancy. The trends I refer to are those which intercultural studies have imposed on the social sciences. Although I noted earlier that our impact has been small, I must now suggest that we have succeeded in challenging and destroying the theoretical base of the traditional social sciences. Our constant concern with Non-Western and developing areas forced social scientists to look, but when they looked their ethnocentrically-based theory began to crumble. Social scientists found that social systems could not simply be classified as democratic or dictatorial, capitalistic or communistic, traditional or modern, stable or unstable, literate or pre-literate, advanced or backward. Social scientists began to be aware of the fact that Non-Western peoples—with different histories, different technologies, different ideologies, different social systems, different natural and social environments—simply could not be understood by the terminology and tools used in the study of Western man.

The social sciences still have a long way to go to replace their nationalistic past with their universalistic future. But a beginning has already been made, as leading scholars are becoming more and more concerned with total living systems and with scientific explanations of how they function. [13] Seminal works are now providing us with a new and somewhat frightening language with such strange terms as ecology, eco-system, systems analysis, cultural evolution, input-output analysis, simulation, game theory, cultural adaptation and cybernetics. The new lan-

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guage is reflective of new perspectives on history, creativity, stability and change. New understandings are coming on questions of social determinants, in-group out-group relationships, and problems of identification, deprivation, hope and despair. The new arena of concern embraces social interactions from city blocks to nation-states, from varieties of small-group behavior to world relations.

What this means is that, finally, the social sciences are becoming scientific—and relevant! Oddly enough, some people regard this as a contradiction. The scientific aspect of physics, or chemistry, or medicine, they say, is obviously relevant, but it is the scientific aspect of the social sciences which makes them irrelevant. While the charge is partially understandable, especially where departmentalism has succeeded in building almost impermeable walls between and among the disciplines, nevertheless, I submit that a new relevancy is resulting from the universalism which is coming.

Part of the evidence for the new relevancy sounds cold and statistical, and therefore irrelevant to some people. Fallout, insecticides, air and water pollution, population growth, crowding, social unrest, technological innovation, transformation of values, urban pathology, mass education, rural mentality, the heavy hand of the past, leadership roles—how can such terms be relevant? Because they deal with the human condition, not the Western, not the Non-Western, but the human condition! Drop-outs in New York, school-leavers in Lagos, humanities college graduates in Calcutta are humans caught up in cultural conditions. Farm mechanization in Iowa, Tanzania and Japan is a technological condition rooted not only in a local cultural situation but in a universal storehouse of knowledge which knows no imaginary boundaries. Social mobility, economic opportunity, group loyalty, vested interests, ethnocentrism, receptivity to new ideas—these are terms by which cultures are analysed whether we are dealing with the United States, Romania, Syria or Thailand. What I am saying is that the nationalistic social sciences are dead and we ought to insist that they be buried. As Simon Kuznets has observed: "There is no national physics, chemistry, or biology, and there should be no national economics or sociology." [14] And if a universalistic concern for the human condition cannot be made relevant, on any campus on any continent, then we clearly are not teachers.

At the risk of boring you, let me indicate just a few of the exciting findings which a universalistic, scientific, systems-analytical approach is exposing. It is becoming more and more apparent that cultures possess people rather than the reverse. The Black Action Movement, riots in Watts and Chicago, student discontent throughout the world, nationalism rural conservatism and many other group behaviors are better understood as reflections of common characteristics which possess such groups than as simultaneous erratic behavior of a group of unrelated individual wills. It also appears that technology operates on laws on its own and as it changes it even affects the value system and social structure. What a valuable concept for studying any culture, whether Western or Non-Western! It now appears clear that democracy requires a set of historical and social pre-conditions. If this is so, then what profit is there in condemning nations, regions or even universities for being non-democratic if they do not possess the pre-conditions? It now appears clear that the nation-state can no longer fulfill one of its prime purposes, namely, the protection and security of its people. As one scholar has noted, if out-group hate was essential for uniting nations before the atomic age, some other kind of social conditioning is necessary for the future. (Perhaps our students have sensed what scholarship is beginning to expose.) It is clear that exponential curves in technological growth and population expansion cannot continue. A finite sphere is not infinitely exploitable and it cannot hold an infinite number of anything, much less people who must have some breathing and living room. Finally, to use Boulding's useful phrase, it seems clear now that man is entering an era of post-civilization, with an impact far more swift, and results far more constructive or far more destructive, than the era of civilization. (Again, perhaps our students sense the real world better than our statesmen or even our colleagues.) I could also point out the overwhelming evidence that all cultures are biological living systems bound to the natural world and that, to cite Amos Hawley, "human ecology might well be regarded as the basic social science." [15]

A universalized curriculum need not destroy departments. They will continue to analyze the particular constellation of functions which separated them historically, but these functions will be characteristics of human living systems. An intercultural perspective will not divide social systems into neat geographical boxes. Intercultural studies will be functional not national. Explanations will be sought in ecological contexts in which a Russian or Japanese example will be just as appropriate as the American or Swedish.

Area studies need not disappear, for specialists in depth—with command of the necessary language and the minutia of data—will be necessary. But specialization will be built on the intercultural base and not in isolated pockets which neglect all other variations. We will know we have succeeded in universalizing the social sciences when institutes for Black American studies, Urban studies or European studies join the area studies programs as adjuncts to the main curriculum. The main curriculum will then treat a universal man, of an understanding of how human social systems function anywhere, of an awareness of the cultural determinants of the varieties of social systems in the world. Area studies—including American studies—will permit some specialization for the educated man, a specialization built on the base of a universal perspective.

We who are in intercultural studies have boldly, if not wisely, contriubted our share to the attack on departmentalism. But now the picture becomes rather frightening: we have pointed the way, but who among us is qualified to lead? This brings me to my second criterion of curricular development.

2. *Administrative leadership in defining the social and behavioral sciences.* Having defended the thesis that the social and behavioral sciences must be universalized, I am now forced to face a new fact: namely, that professors and departments have neither the will nor the ability to reform. Departmentalism is so entrenched that a professor fights it only at his peril. Social science departments are designed to be narrow and parochial. One history department I know has 37 members, 31 of whom teach various limited eras of Euro-American and Michigan history. Of the remaining six, one teaches Latin America, one teaches Africa, two teach the Slavic area and two teach East Asia. The Middle East, South Asia, Southeast Asia and Oceania are totally ignored. Unfortunately, the example is typical of social science departments.

The point is that a department which is overwhelmingly staffed by Euro-American specialists suffers from parochial incest. Its narrowly-trained staff can no more think in universal terms collectively than it can individually. With pretensions of the deepest professional concern, the majority members of such departments set about replicating themselves in all hiring policies, and in breaking the curriculum down into ever-more narrow specialization. Thus, a typical department of political science will have 20 to 30 courses on various aspects of American governments, perhaps an equal number on European governments and, if it is bold, it may hire one professor to teach the governments and politics of all Asia, one for all Africa and one for all Latin America, often on a part-time basis. Even in this scheme, the universal characteristics of politics may be ignored.

The only force in a university which can counter departmental incest is the administration. The heaviest burden falls on the deans and the vice president for academic affairs. Such administrators are treated by the faculty as bureaucrats, and sometimes as necessary bureaucrats. Rarely are they treated by faculty members as important members of the intellectual community. What is worse, administrators often behave as if they were indeed outside of, or "above," the intellectual community. They thus regard their main role as budgetary, allowing each department to define itself and its purposes in the university. Thus, the relationship of faculty and administration at their most basic point of contact is one of bargaining over money and staffing and not in defining the university. In the social sciences, therefore, faculty-administration relationships turn out to be almost a hiatus. Policies for long-range relevancy are almost totally ignored and short-range relevancy is invoked only to meet crises such as student confrontations.

Faculty members on a number of campuses have shown only contempt for my suggestion that administrators have a role to play in at least the general definition of divisions and departments. Administrators have told me that I do not really understand the pressures they face. Both responses, however, confirm my belief that something is wrong. In social science terms, the situation is dysfunctional: solutions to an intolerable situation are blocked on one hand by faculty intransigence and on the other by administration reluctance to challenge the myth of faculty supremacy. In philosophical terms, the situation is simply immoral!

One opportunity for administrators to affect the curriculum rests in the hiring policy. Vice presidents and deans can start demanding that new professors in the social sciences be trained to think in the universal perspectives I have outlined. Such people admittedly are hard to find because the Ph.D.-granting universities simply are not training them. The narrowness of graduate training is the prime cause of departmentalism and the explanation for the plethora of highly specialized and disconnected departmental offerings. Furthermore, the problem is not simply that young Ph.D.'s do not know anything about the other disciplines in their division, but usually they known little about fields other than their own in their own discipline. The exceptions are quite rare.

The more narrow the training, the more insistent is the young professor's demands that he teach only graduate courses. The undergraduate courses, specialized as most of them are, are still too broad for him. The problem is even more complex where, as on my campus for example, general social science courses are taught. Many an applicant for a teaching position rejects our offer of a position when he discovers he may have to teach a general social science course. The usual explanation is that he simply is unqualified to think or teach in such general terms.

Only when we get professors who are universalists can we hope to modify the undergraduate curriculum to serve its former and proper objective: namely, the liberally educated man. Historically, the educated man was "liberated" as he became

Footnotes at end of article.

aware of his environment, including the physical world, the social world and the world of philosophy, art, literature and religion. Historically, also, that world was limited to European cultures. Today the demands for liberation are just as valid but involve, in Whitehead's phrase, "the whole round world of human affairs." Only when social science professors view the whole round world as their proper province will the curriculum be modified so as to impart it to students. When this occurs then will we have the intellectual base for responding to student demands. Faculty and administration will then be able to point out that the curriculum is designed in the social sciences for the educated man—a man informed and knowledgeable about social institutions. Thus armed, the allocation of responsibility should be more easily re-established than it appears to be at the moment.

CONCLUSION

I hope it is clear now that my long discourse on criteria of curriculum development was not a digression. Student demands for a more relevant curriculum in the social sciences strike at a vulnerable point in the university. In their effort to upset the allocation of responsibility, they force us to examine first the relationship of faculty and administration. In examining that relationship, we discover great weaknesses in the machinery for defining the curriculum and perforce the university. The major effect of student discontent is that it has forced us to consider nothing less than the allocation of responsibility in the ethical system which we call the university. We are now forced, in the words of Professor Walter P. Metzger of Columbia University, to seek to "restore student confidence in authority." [16]

In summation, my thesis is that the future of student-faculty-administration relationships in intercultural higher education rests primarily on the faculty. If the faculty of the social sciences recognize the universal characteristics of their disciplines then they will expect, even demand, that administrative leadership help them reorganize their parochial departments. Faculty-administration relationships will then be functioning on a basis of defining the university for educational relevancy. Simultaneously, student-faculty relationships should improve since professors can demonstrate that their concern is with the varieties of social systems in which humans live and not merely with a defense of a particular system. The solution, as I see it, rests in long-range relevancy since the university in its primary educational role has no short-range relevancy in the social sciences. While this may offer no comfort for the immediate future, the university is still a dynamic, viable, adaptive institution. If it survives the present challenge, as I think it will, it should be a stronger institution, even closer to its ideal of being universal in its quest for truth.

FOOTNOTES

[1] Reported in The *New York Times*, March 16, 1969, p. 62.

[2] As reported in *Higher Education and National Affairs*, Vol. XVIII, No. 7 (March 7, 1969), p. 9.

[3] *Non-Western Studies in the Liberal Arts College* (Washington: Association of American Colleges, 1964).

[4] Claude S. Phillips, Jr., "World Affairs in Secondary Education: A Sample Survey," *Michigan Journal of Secondary Education*, Vol. 8, No. 1 (Fall 1968), pp. 32–42.

[5] Harold Taylor, *The World and the American Teacher* (Washington: American Association for Colleges of Teacher Education, 1968).

[6] See James H. Billington, "Is Liberal Education Dead?," *Current*, July 28, 1968, pp. 51–57.

[7] See *The Professional School and World Affairs: Report of the Task Force on Education* (New York: Education and World Affairs, 1967), p. 22.

[8] Charles Frankel, "Conclusion: Critical Issues in American Higher Education," in *Issues in University Education*, edited by Charles Frankel (New York: Harper and Brothers, 1959), p. 160.

[9] Billington, *loc. cit.*, p. 52.

[10] Steven Muller, "The Administration-Faculty Impasse," *Current*, August 1968, p. 18.

[11] Reported in *Higher Education and National Affairs*, Vol. XVIII, No. 10 (March 28, 1969), p. 10.

[12] *Ibid.*

[13] For example, see the following seminal works from scholars in various disciplines: Leslie A. White, *The Science of Culture* (New York: Grove Press, 1949); Julian H. Steward, *Theory of Culture Change* (Urbana: University of Illinois Press, 1955); Marshall Sahlines and Elman Service, eds., *Evolution and Culture* (Ann Arbor: University of Michigan Press, 1960); Gabriel Almond and James S. Coleman, eds., *The Politics of the Developing Areas* (Princeton: Princeton University Press, 1960); David Easton, *A Systems Analysis of Political Life* (New York: John Wiley & Sons, 1965); C. E. Ayres, *The Theory of Economic Progress* (New York: Schoken Books, Inc., 1962); Kenneth Boulding, *The Meaning of the Twentieth Century* (New York: Harper & Row, 1964); Robert L. Heilbroner, *The Great Ascent* (New York: Harper & Row, 1963); Daniel Lerner, *The Passing of Traditional Society* (New York: The Free Press, 1958); Talcott Parsons, *Societies: Evolutionary and Comparative Perspectives* (Englewood Cliffs: Prentice-Hall, 1966); L. S. Stavrianos, *The World Since 1500: A Global History* (Englewood Cliffs: Prentice-Hall, 1966); William H. McNeill, *The Rise of the West: A History of the Human Community* (Chicago: University of Chicago Press, 1963); Donald T. Campbell, "Variation and Selective Retention in Socio-Cultural Evolution," in *Social Change in Developing Areas*, edited by Herbert R. Barringer, George I. Blanksten and Raymond W. Mack (Cambridge, Mass.: Schenkman Publishing Co., 1965); Alfred E. Emerson, "Human Cultural Evolution and its Relation to Organic Evolution of Insect Societies," in Barringer, *et al.*; Anatol Rapoport, "Mathematical, Evolutionary and Psychological Approaches to the Study of Total Societies," in *The Study of Total Societies*, edited by Samuel Z. Klausner (Garden City, N.Y.: Doubleday 1967); and Norbert Wiener, *The Human Use of Human Beings* (Garden City, N.Y.: Doubleday, 1954).

[14] Simon Kuznets, *Economic Growth and Structure* (New York: W. W. Norton & Co., 1965), p. 91.

[15] Amos Hawley, "Ecology and Human Ecology," *Social Forces*, Vol. 22, May 1944, p. 405.

[16] Reported in *Higher Education and National Affairs*, Vol. XVIII, No. 10 (March 28, 1969), p. 9.

THE FIGHT AGAINST HUNGER AND MALNUTRITION: THE STATE ROLE

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

Mr. FARBSTEIN. Mr. Speaker, I have written letters to the 36 northern Governors charging that they have been lax in their States in support of the food stamp and surplus commodity programs. I urged them to take the initiative to eliminate hunger and malnutrition by securing better cooperation from the counties in their respective States. See exhibits Nos. 1 and 2 for list of Governors and text of letter.

The Southern States, with a few notable exceptions, I have discovered, are generally doing much more to combat hunger and malnutrition than the Northeast, Midwest, and Far West. I sent the letters to every Governor outside the South on Monday pointing this out. It appears incomprehensible that the Midwest, which enjoys the benefit of huge farm subsidies, has the worst level of food programs for the poor, and that my own Northeast is no better.

I arrived at these conclusions after examining Department of Agriculture data on the numbers of commodities carried by counties participating in the free food program. Counties have formal responsibility for requesting and administering food programs, but generally receive State support and are required to follow State directives.

In calling upon the Governors to take up the challenge, I have reluctantly been forced to dismiss the role of the Department of Agriculture because it lacks direction and motivation, for it is caught in the crossfire of divided loyalties between the farmer and the hungry. Inevitably it is the hungry who suffer. Just last month, the Department returned $140 million in hunger money unspent to the Treasury because the 1969 fiscal year had ended and it had not committed the funds. The sum of $30 million of this was money appropriated for the food stamp program and $110 million for the free food program.

This is something about which I have previously complained. The Department knew in early January that it might have unspent food stamp money unless it increased its activity, but did nothing.

Indeed, it actively discouraged counties from applying for the program, claiming lack of money. I was informed by the Department that during this time, they had knowledge of 150 counties that were interested in participating in the program. At the beginning of May, in spite of this discouragement, 62 of these had formally applied for programs.

And, only after pressure from me, 42 of these were funded. But during the same period, another 63 applied and were ignored. As of today, 102 counties have formally applied, and no action has been taken to provide these counties with food stamp programs.

An appeal by a northern Democratic liberal Congressman to State Governors, most of whom are Republican, to take the initiative in the hunger area is unusual, but I do not care who gets the credit. I just want to see that the hungry are fed. With the Federal executive branch abdicating responsibility, the State is the logical vehicle to take the initiative, and the State can get counties participating in the free food program to take at least the 22 basic foods offered by the Department of Agriculture so that its residents can be a little less malnourished. It can get counties in both hunger programs to seek out those eligible. And it can provide financial and administrative assistance to the counties to pay the local share of increasing the level of bonus food stamps and the number of distribution centers for free food and food stamps.

There are 22 commodities made available to counties by the Department of Agriculture. By its own estimates, if an individual gets all 22 foods, he would still

suffer from malnutrition. If he eats fewer than the 22, he would be receiving nowhere near an adequate diet. See exhibits 3A and 3B for Department of Agriculture figures. This nutritional deficit is magnified by the fact that many of the items most frequently not carried are those which are nutritionally fortified. See exhibit 4. But in only one of the 10 Northeastern States does the median county provide its hungry with as many as 20 of the 22 available foods; and in the Midwest there are only two out of 11. By contrast, in the South the median county in five out of 12 States provides at least 20 out of the 22 foods to its poor. See exhibit 5. This contrast between North and South generally also emerges for participation rates among eligible individuals in both the free food and surplus commodities programs. See statement by Senator GEORGE MCGOVERN in CONGRESSIONAL RECORD of June 24, 1969, page 16906. Under present law a county is entitled to either a food stamp or surplus commodities—free food—program, but not both.

The contrast in quality of food programs between New York and Mississippi is particularly striking. This throws into doubt the sincerity of the New York State commitment to eliminate hunger. This doubt is reinforced by the recent cuts in State welfare payments for food and in school lunch program funds. While in Mississippi, 36 counties carried more than 19 of the available commodities, and the remaining three from 17 to 19 commodities; no county in New York State provides more than 19, and only three are in the 17 to 19 range. Of the remainder, 34 provide between 14 and 16, and 11 less than 14. New York City carried the most commodities of any jurisdiction in the State. See exhibits 6 and 7.

I noted a similar contrast in participation rates among eligibles for the free food and food stamp programs. The average participation rate of eligible individuals in counties in Mississippi on the free food program is 43 percent. For New York, it is 27 percent. For counties on the food stamp program, Mississippi's average participation is 25 percent, New York's is 13 percent. The fact that a county formally participates in a hunger program is not enough if the poor are not made aware of the existence of the program. I believe the failure of local and State officials to adequately inform the poor of these programs explains much of the low participation in the North, generally in New York State in particular.

The exhibits follow:

EXHIBIT 1

List of Governors to which the letter was sent:

Keith Miller, Alaska.
Jack Williams, Arizona.
Ronald Reagan, California.
John A. Love, Colorado.
John N. Dempsey, Connecticut.
Russell W. Peterson, Delaware.
John A. Burns, Hawaii.
Don Samuelson, Idaho.
Richard B. Ogilvie, Illinois.
Edgar D. Whitcomb, Indiana.
Robert D. Ray, Iowa.
Robert Docking, Kansas.
Marvin Mandel, Maryland.
Kenneth M. Curtis, Maine.
Francis W. Sargent, Massachusetts.
William G. Milliken, Michigan.
Harold E. LeVander, Minnesota.
Warren E. Hearnes, Missouri.
Forrest H. Anderson, Montana.
Norbert T. Tiemann, Nebraska.
Paul Laxalt, Nevada.
Walter R. Peterson, Jr., N.H.
Richard J. Hughes, New Jersey.
David F. Cargo, New Mexico.
Nelson A. Rockefeller, New York.
William L. Guy, North Dakota.
James A. Rhodes, Ohio.
Tom McCall, Oregon.
Raymond P. Shafer, Pennsylvania.
Frank Licht, Rhode Island.
Frank L. Farrar, South Dakota.
Calvin L. Rampton, Utah.
Deane C. Davis, Vermont.
Daniels J. Evans, Washington.
Warren P. Knowles, Wisconsin.
Stanley K. Hathaway, Wyoming.

EXHIBIT 2

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., July 14, 1969.

DEAR GOVERNOR: During the last several weeks, I have been investigating the administration of the Federal anti-hunger program, and I thought you might be interested in my findings, for they are shocking and at the same time offer a challenge to our State governments.

I have discovered that the Northern states have been lax in their support of the Food Stamp and Surplus Commodities programs. The Midwest, which enjoys the benefit of huge farm subsidies, has the worst level of food programs for the poor, and the Northeast is no better. The Southern states by contrast, with a few notable exceptions like Texas, are generally doing a great deal to combat hunger and malnutrition and have relatively the best programs in the country.

I have arrived at these conclusions after examining Department of Agriculture data on the numbers of commodities carried by each county participating in the free food program, as well as the participation rates for the free food and food stamp programs.

There are 22 commodities made available to counties by the Department of Agriculture. By its own estimates, if an individual gets all 22 foods, he would still suffer from malnutrition. If he eats fewer than the 22, he would be receiving nowhere near an adequate diet. But in only one of the ten Northeastern states does the median county provide its hungry with as many as 20 of the 22 available foods, and in the Midwest there are only two out of 11. By contrast, in the South the median county in five out of 12 states provides at least 20 out of the 22 foods to its poor. (The figures for states with counties participating in the free food program are listed in the attached table.) This contrast between North and South generally also emerges for participation rates among eligible individuals in both the free food and surplus commodities program.

The average participation rate of eligible individuals in counties in Louisiana for the free food program is 46%, for Mississippi, the figure is 43%. By contrast, only two states outside the South have rates over one-third, and many, like Kansas and Illinois, have rates under 10%. For counties on the Food Stamp Program, few states can come close to Mississippi's 25% participation rate.

To me this situation is shocking. Yet I see it as a challenge to our Northern State governments as well—to take the initiative to eliminate hunger and malnutrition by securing fuller involvement by the counties in your state in the two anti-hunger programs.

The state is the logical vehicle to take the initiative for it can get counties participating in the free food program to take at least the 22 basic foods offered by the Department of Agriculture so that its residents can be a little less malnourished. It can get counties in both hunger programs to seek out those eligible through outreach efforts. And it can provide financial and administrative assistance to the counties to pay the local share of increasing the level of bonus food stamps and the number of distribution centers for free food and food stamps.

I have called upon you as a State Governor to take the initiative because I believe the Department of Agriculture has abdicated its responsibility. It lacks direction and motivation for it is caught in the cross fire of divided loyalties between the farmer and the hungry. Inevitably it is the hungry who suffer. At the beginning of this month the Department returned $140 million in unspent money available to fight hunger for fiscal 1969 to the U.S. Treasury. Thirty million dollars of this was money appropriated for the food stamp program and $110 million for the free food program.

This is something about which I have previously complained. The Department knew in early January that it might have unspent food stamp money unless it increased its activity, but did nothing. Indeed it actively discouraged counties from applying for the program, claiming lack of money. I was informed by the Department that during this time, they had knowledge of 150 counties that were interested in participating in the program. At the beginning of May, in spite of this discouragement, 62 of these had formally applied for programs. And, only after pressure from me, 42 of these were funded. But during the same period, another 63 applied and were ignored. As of today, 102 counties have formally applied, and no action has been taken to provide these counties with food stamp programs.

I would be interested in your views on the hunger question and the appropriate role of the State government.

With kind regards, I am,

Sincerely yours,

LEONARD FARBSTEIN,
Member of Congress.

EXHIBIT 3-A

PART OF RECOMMENDED DIETARY ALLOWANCES (1968)[1] SUPPLIED BY FOODS USDA OFFERS TO STATES FOR FAMILIES IN COMMODITY DISTRIBUTION PROGRAM COMPARED WITH PART SUPPLIED BY FOODS ACTUALLY DISTRIBUTED

[In percent]

Comparison	Food energy	Protein	Calcium	Iron	Vitamin A[2]	Thiamine	Riboflavin	Vitamin C
22 foods offered by USDA[3]	77	143	135	117	136	130	148	91
22 foods in amounts actually distributed[4]	61	103	82	94	92	100	94	78

[1] National Academy of Sciences-National Research Council, Pub. 1694, 1968. Recommended dietary allowances based on average allowance for 1 person in family of 4 (man and woman in midthirties, boy 11 years, girl 8); that is 2,320 calories of food energy, 51 grams of protein, 960 milligrams of calcium, 12 milligrams of iron, 2,600 international units of vitamin A, 1.2 milligrams of thiamine, 1.4 milligrams of riboflavin, and 49 milligrams of vitamin C (ascorbic acid).

[2] Assumes 70 percent is preformed vitamin A for foods offered by USDA and 65 percent is preformed vitamin A for foods actually distributed.

[3] 22 foods in average amounts suggested by USDA for 1 person in 4-person household: Dry beans, bulgur, butter/margarine, cheese, corn grits, cornmeal, corn sirup, evaporated milk, flour, canned green beans, canned chopped meat, nonfat dry milk, peanut butter, canned pork, potato flakes, prunes, raisins, rice, rolled oats, scrambled egg mix, shortening/lard, and tomato juice.

[4] Based on distribution records except canned pork, scrambled egg mix, vegetable, juice, evaporated milk and corn sirup are estimated.

EXHIBIT 3-B

NUTRITIVE VALUE OF FOODS USDA OFFERS TO STATES FOR FAMILIES IN COMMODITY DISTRIBUTION PROGRAM, APR. 15, 1969

Commodity	Amount per person per month [1] (pounds)	Food energy (calories)	Protein (grams)	Calcium (milligrams)	Iron (milligrams)	Vitamin A (I.U.)	Thiamine (milligrams)	Riboflavin (milligrams)	Ascorbic acid (milligrams)
Beans, dry	2.00	3,084	202.4	1,306	70.8	----------	5.92	2.04	----------
Bulgur	.50	803	25.4	66	8.4	----------	.64	.32	----------
Butter/margarine	1.25	4,083	3.4	114	0	18,750	0	0	----------
Cheese	1.56	2,816	176.9	5,307	7.0	9,266	.19	3.23	----------
Corn grits [2]	.50	821	19.8	9	10.5	1,000	1.00	.60	----------
Cornmeal [2]	2.50	4,128	89.5	68	52.5	5,000	5.00	3.00	----------
Corn sirup blend	1.49	1,959	0	311	27.7	----------	0	0	----------
Evaporated milk [3]	1.81	1,125	57.6	2,071	.9	2,664	.33	2.75	9
Flour [2]	5.00	8,255	238.0	365	65.0	----------	10.00	6.00	----------
Green beans, canned [4]	.99	81	4.5	152	5.3	1,305	.15	.19	18
Meat, canned, chopped	1.88	2,501	127.5	77	18.8	----------	2.64	1.78	----------
Milk, nonfat dry, regular, enriched [5]	4.50	7,412	732.6	26,699	12.2	41,580	7.16	36.72	144
Peanut butter	1.00	2,640	115.7	277	9.1	----------	.57	.56	----------
Pork, in natural juices [6]	1.81	1,922	137.8	82	20.5	----------	3.63	1.40	----------
Potato flakes [7]	1.00	1,651	32.7	159	7.7	16,000	1.05	.27	944
Prunes, dried	.50	492	4.1	99	7.5	3,085	.17	.32	6
Raisins	1.00	1,311	11.3	281	15.9	100	.51	.37	5
Rice [8]	1.50	2,471	45.6	164	31.5	----------	3.00	0	----------
Rolled oats	1.50	2,654	96.6	360	30.6	----------	4.08	.96	----------
Scrambled egg mix [9]	.56	1,392	89.0	1,246	11.8	5,638	.70	2.95	----------
Shortening/lard	1.00	4,010	0	----------	0	----------	0	0	----------
Tomato juice [10]	3.10	267	12.7	99	12.7	11,253	.74	.40	226
Total	36.95	55,874	2,223.0	39,311	426.4	115,642	47.47	63.86	1,352
Per person per day	----------	1,838	73.1	1,293	14.0	3,804	1.56	2.10	44
Apricot nectar [11]	3.10	803	4.3	127	2.8	13,361	.16	.09	670
Beef in natural juices [6]	1.81	1,991	152.3	91	23.0	----------	.36	1.16	----------
Boned turkey	1.81	1,661	171.9	82	11.6	1,070	.18	1.14	----------
Corn, whole kernel, canned	.99	296	8.5	18	1.8	1,207	.12	.22	23
Grapejuice [11]	3.10	927	2.8	155	4.3	----------	.56	.31	632
Grapefruit juice, sweetened	3.10	744	7.1	112	5.6	155	.40	.22	437
Grapefruit juice, unsweetened	3.10	577	7.1	112	5.6	155	.40	.22	477
Green peas, canned	.99	256	15.2	85	6.7	2,018	.51	.26	40
Tomatoes, canned	.99	94	.45	27	2.3	4,035	.24	.13	75
Peas, dry split	.50	790	54.9	75	11.6	270	1.69	.66	----------
Prune juice	3.10	1,082	5.6	198	57.7	----------	.09	.16	654
Farina	1.75	2,874	90.5	3,968	350.0	----------	3.50	2.10	----------
Rolled wheat	1.50	2,313	67.4	244	21.8	----------	2.48	.82	----------

[1] Based on USDA family distribution for a 4-person family, Jan. 28, 1969.
[2] Corn grits and cornmeal enriched with iron (21 mg. per pound, USDA minimum) riboflavin, thiamine, and niacin at minimum levels; flour enriched at minimum levels.
[3] Fortified with vitamin D (360 I.U. per pound.)
[4] May be replaced by canned tomatoes, green peas, or whole kernel corn.
[5] Same as regular nonfat dry milk except fortified with 9,100 I.U. vitamin A and 1,820 I.U. vitamin D per pound. Shipments started Apr. 7, 1969.
[6] Nutritive value obtained from ARS; calculations based on product with 18 percent chemical fat, and not more than 1.3 percent or less than 0.5 percent salt. May be replaced by beef in natural juices, or boned turkey.
[7] Instant potato flakes fortified with vitamin A (16,000 I.U. per pound) and vitamin C (800 mg. per pound).
[8] Rice enriched with iron (21 mg. per pound, USDA requirement), thiamine, and niacin at minimum levels.
[9] Nutritive value developed for Poultry Division by ARS.
[10] May be replaced by apricot nectar, grapejuice, or grapefruit juice.
[11] Fortified with vitamin C (204 mg. per pound).

EXHIBIT 4

ITEMS GENERALLY OMITTED

BY STATE

Alabama: Bulgur, dried peas, butter, canned peas.

Arizona: Bulgur, butter, cheese, eggs, corn/grits, dried peas, fowl.

Arkansas: Bulgur, grits, dried peas.

California: Peas dried, bulgur.

Connecticut: Bulgur, grits.

Delaware: Bulgur, eggs, grits, lard, oats/wheat, peas split, corn syrup.

Florida: Bulgur.

Georgia: Bulgur, cheese, butter, eggs, peanut butter.

Idaho: Bulgur, fowl, grits, dried peas.

Iowa: Bulgur, split peas, corn/grits.

Kansas: Grits, split peas.

Kentucky: Bulgur, grits, split peas canned.

Louisiana: Bulgur, grits, dried peas, evaporated milk, oats/wheat, corn syrup.

Maine: Bulgur, eggs, grits, split peas.

Maryland: Bulgur, eggs, grits, meat chopped, dried peas.

Massachusetts: Dry beans.

Michigan: Bulgur, grits, dried peas.

Minnesota: Grits, prunes/raisins.

Mississippi: Split peas.

Missouri: Dried peas, bulgur, eggs, grits, tomato juice.

Nebraska: Bulgur, grits.

Nevada: Bulgur, grits, dried peas.

New Hampshire: Beans, bulgur, grits, peas dried, prunes/raisins.

New Mexico: Bulgur, eggs, grits, dried peas.

New York: Dried beans, bulgur, canned meat, eggs, grits, dried peas.

North Carolina: Bulgur, split peas.

North Dakota: Bulgur.

Ohio: Bulgur, cornmeal, eggs, grits, split peas, evaporated milk.

Oklahoma: Bulgur, grits, eggs.

Oregon: Grits.

Pennsylvania: Bulgur, dry beans, grits, potatoes, peas split, turkey/fowl.

Rhode Island: Bulgur, dry beans, eggs, grits, dried milk.

South Dakota: Dried peas.

Tennessee: Bulgur, grits, dried peas.

Texas: Bulgur, dried peas, eggs.

Virginia: Bulgur, grits, fowl.

Wisconsin: Grits, eggs, prunes/raisins, fowl.

Wyoming: Beans dry, bulgur, grits, meat chopped, dry beans, peas dried, prunes/raisins, juice.

BY REGION

Northeast: Bulgur, dry beans, grits, corn meal, split peas, dried eggs.

South: Bulgur, split peas, butter, grits, cheese, eggs dried.

Midwest: Bulgur, grits, split peas, dried eggs.

Far West: Bulgur, grits, split peas.

EXHIBIT 5

NUMBER OF SURPLUS COMMODITIES RECEIVED BY COUNTIES PARTICIPATING IN SURPLUS COMMODITY PROGRAMS

State	Number of commodities: 20–22	17–19	14–16	11–13	8–10
NORTHEAST					
Connecticut	4	----------	----------	----------	----------
Delaware	----------	----------	3	----------	----------
Maine	----------	11	4	----------	----------
Maryland	----------	----------	1	----------	----------
Massachusetts	9	7	4	1	----------
New Hampshire	----------	6	3	1	----------
New Jersey	----------	7	3	1	----------
New York	----------	3	34	10	1
Pennsylvania	----------	2	7	7	----------
Rhode Island	----------	15	1	----------	----------

EXHIBIT 5—Continued

NUMBER OF SURPLUS COMMODITIES RECEIVED BY COUNTIES PARTICIPATING IN SURPLUS COMMODITY PROGRAMS—Continued

State	Number of commodities: 20–22	17–19	14–16	11–13	8–10
SOUTH					
Alabama	23	23	----------	----------	----------
Arkansas	----------	17	----------	----------	----------
Florida	41	11	1	----------	----------
Georgia	9	45	23	1	----------
Kentucky	15	46	----------	----------	----------
Louisiana	2	1	11	----------	----------
Mississippi	36	3	----------	----------	----------
North Carolina	51	8	----------	----------	----------
Oklahoma	50	22	1	----------	----------
Tennessee	----------	13	1	----------	----------
Texas	35	92	3	----------	----------
Virginia	17	22	1	----------	----------
MIDWEST					
Indiana	11	27	17	8	3
Iowa	----------	9	----------	----------	----------
Kansas	5	8	1	----------	----------
Michigan	----------	40	----------	----------	----------
Minnesota	8	9	1	2	----------
Missouri	12	33	18	1	----------
Nebraska	1	----------	1	----------	----------
North Dakota	1	5	4	----------	1
Ohio	----------	4	10	2	----------
South Dakota	27	4	1	----------	----------
Wisconsin	34	12	1	----------	----------
FAR WEST					
Arizona	----------	1	10	4	----------
California	23	5	1	----------	----------
Idaho	2	7	3	----------	----------
Montana	----------	----------	6	3	----------
Nevada	----------	10	1	1	----------
New Mexico	----------	10	----------	----------	----------
Oregon	32	2	----------	----------	----------
Wyoming	----------	----------	2	----------	----------
TERRITORIES					
Guam	----------	19	----------	----------	----------
Puerto Rico	----------	----------	18	53	9
Trust territories	----------	----------	----------	----------	2
Virgin Islands	4	5	----------	----------	----------

States not listed did not have surplus commodity programs. A community group was counted if any one item in the group was distributed; e.g. any one of these items—canned apricot, prune, tomato, grape, or grapefruit juice—satisfies the requirement of a fruit juice.

The 22 categories used were Dry beans, Bulgur, Butter/Margarine, Cheese, Corn Grits, Cornmeal, Corn sirup, Evaporated Milk, Flour, Canned Green Beans, Canned Chopped Meat, Nonfat Dry Milk, Peanut Butter, Dry Split Peas, Canned Pork, Potato Flakes, Prunes, Rice, Rolled Oats, Scrambled Egg Mix, Shortening/Lard, and Tomato Juice. They were the available categories as of March 31, 1969.

Alternatives to some of these commodities are available to the participating counties. They include for tomato juice: Apricot Nectar, grapefruit juice (sweetened and unsweetened), prune juice, and grape juice; for canned pork; canned beef and canned boneless turkey; for canned green beans; canned tomatoes, green peas, or whole kernel corn; and for prunes: raisins.

EXHIBIT 6.—BREAKDOWN OF COMMODITIES CARRIED BY MISSISSIPPI COUNTIES[1]

County/city or Indian reservation (1)	Total number of eligibles (2)	Number of recipients: Total (3)	Public assistance (4)	Other (5)	Name of commodity (6): Apricot nectar	Beans, dry	Beans, canned green	Bulgur	Butter	Cheese	Cornmeal	Egg mix, scrambled	Flour	Farina	Fowl, canned whole	Grape juice	Grits, corn	Lard/shortening	Margarine	Meat, chopped, canned	Milk, evaporated	Milk, instant	Milk mix (chocolate beverage)	Milk, nonfat dry	Oats, rolled	Peanut butter	Peas, canned	Peas, dried, split	Potatoes, dehydrated, white	Prunes, dried	Prune juice	Raisins	Rice	Syrup, corn	Tomatoes, canned	Tomatoe juice	Wheat, rolled	Beef 'n juices	Grapefruit juice	Number of commodities carried
Adams	4,764	4,698	3,023	1,675	X									X		X			X			X	X					X		X	X	X			X				X	20
Amite	4,454	4,445	568	3,877	X									X		X			X			X	X				X	X			X	X			X				X	21
Benton	3,116	3,076	932	2,144	X									X	X	X			X			X	X					X			X	X			X				X	21
Calhoun	3,492	3,152	1,210	1,942	X		X					X		X		X			X			X	X					X			X	X			X				X	20
Carroll	3,795	3,756	1,814	1,942	X							X		X	X	X			X			X	X					X			X				X				X	20
Choctaw	2,604	2,535	1,247	1,288	X									X		X			X			X	X					X			X	X			X				X	21
Clarke	5,098	4,988	1,228	3,760	X				X			X		X	X	X			X			X	X					X			X	X			X				X	19
Copiah	6,401	6,313	1,396	4,917	X									X	X	X			X			X					X	X			X				X				X	21
Franklin	1,625	1,587	675	912	X									X		X			X			X						X			X	X			X			X	X	21
George	2,558	2,474	768	1,706	X		X							X		X			X			X	X					X			X				X				X	21
Greene	2,642	2,625	765	1,860	X		X					X		X		X			X			X						X		X	X				X				X	20
Hancock	1,568	1,239	336	903	X		X					X		X		X			X			X	X					X		X	X				X				X	20
Issaquena	1,404	1,367	440	927	X		X							X		X			X			X						X			X	X			X				X	21
Jefferson	4,668	4,463	1,507	2,956	X									X		X			X			X	X					X			X	X			X				X	21
Kemper	3,264	3,263	643	2,620	X		X							X		X			X			X						X			X	X			X				X	21
Lafayette	3,052	2,987	874	2,113	X									X		X			X			X						X			X	X			X				X	21
Lauderdale	8,724	8,489	3,081	5,408	X									X		X			X			X	X					X			X	X			X					21
Lawrence	2,849	2,797	623	2,174	X		X					X		X		X			X			X	X					X			X				X				X	20
Leake	7,358	7,255	3,177	4,078	X									X	X	X			X			X						X			X	X			X				X	21
Marshall	9,656	9,404	1,515	7,889	X									X		X			X			X	X					X			X	X			X				X	21
Neshoba	3,077	2,824	1,392	1,432	X									X	X	X			X			X	X					X			X	X			X				X	21
Newton	2,940	2,729	1,132	1,597	X									X		X			X			X	X					X			X	X			X				X	21
Noxubee	7,661	7,455	1,345	6,110	X									X	X	X			X			X	X					X			X	X			X				X	21
Pearl River	2,193	2,150	824	1,326	X									X		X			X			X						X			X				X				X	21
Perry	1,567	1,559	615	944	X							X		X		X			X			X	X					X			X				X				X	20
Pontotoc	2,821	2,774	1,214	1,560	X		X					X		X		X			X			X	X					X			X				X				X	20
Rankin	6,205	6,159	996	5,163	X							X		X		X			X			X	X					X			X	X			X				X	20
Sharkey	5,477	5,417	2,108	3,309	X		X					X		X		X			X			X	X					X			X				X				X	20
Smith	2,811	2,736	1,113	1,623	X		X					X		X		X			X			X	X					X			X				X				X	20
Stone	1,155	1,113	377	736	X		X					X		X		X			X			X	X					X			X				X				X	20
Tate	5,450	5,185	851	4,334	X									X		X			X			X	X					X			X	X			X				X	21
Tippah	2,771	2,694	1,215	1,479	X		X					X		X	X	X			X			X	X					X			X				X	X			X	19
Tishomingo	1,632	1,602	932	670	X		X					X		X	X	X			X			X	X					X			X				X				X	20
Walthall	4,587	4,478	637	3,841	X							X		X	X	X			X			X	X					X			X				X			X	X	20
Wayne	3,608	3,530	1,912	1,618	X		X					X		X	X	X			X			X					X	X			X				X				X	19
Webster	2,050	1,972	1,063	909	X		X					X		X	X	X			X			X	X					X			X				X				X	20
Wilkinson	5,037	4,982	855	4,127	X									X		X			X			X	X					X			X	X			X				X	21
Winston	4,426	4,304	1,498	2,806	X									X		X			X			X	X					X			X	X			X				X	21
Choctaw Indians	1,098	943		943	X		X							X		X			X			X						X			X	X			X				X	21
Total																																								

[1] All counties receive all commodities except where an X appears in the box.

EXHIBIT 7—BREAKDOWN OF COMMODITIES CARRIED BY NEW YORK STATE COUNTIES[1]

County/city or Indian reservation (1)	Total number of eligibles (2)	Number of recipients: Total (3)	Public assistance (4)	Other (5)	Name of commodity (6): Apricot nectar	Beans, dry	Beans, canned green	Bulgur	Butter	Cheese	Cornmeal	Egg mix, scrambled	Flour	Farina	Fowl, canned whole	Grape juice	Grits, corn	Lard/shortening	Margarine	Meat, chopped, canned	Milk, evaporated	Milk, instant	Milk mix (choc. bev.)	Milk, nonfat dry	Oats, rolled	Peanut butter	Peas, canned, split	Peas, dried	Potatoes, dehy., white	Prunes, dried	Prune juice	Raisins	Rice	Syrup, corn	Tomatoes, canned	Tomato juice	Wheat, rolled	Canned pork	Canned beef	Number of commodities carried
Albany	6,440	5,380	4,018	1,362	X	X		X			X	X		X	X	X	X	X	X			X	X		X		X	X	X	X	X				X		X		X	13
Allegany	2,551	2,384	732	1,652	X			X			X	X		X	X	X	X		X			X	X				X	X		X	X				X		X	X		17
Broome	2,772	2,513	457	2,056	X	X		X			X	X		X	X	X	X		X			X	X		X		X	X	X	X	X				X		X			14
Cayuga	2,485	2,323	805	1,518	X	X		X			X	X		X	X	X	X		X			X	X				X	X		X	X			X	X		X		X	15
Chautauqua	5,265	4,950	2,282	2,668	X	X		X		X	X	X		X		X	X		X			X	X				X	X		X	X				X		X	X	X	15
Chemung	4,984	4,552	1,943	2,609	X	X		X			X	X		X	X	X	X		X			X	X		X		X	X	X	X	X				X		X	X		14
Columbia	1,826	1,706	642	1,064	X	X		X			X	X		X	X	X	X		X			X	X		X		X	X	X	X	X				X		X		X	14
Cortland	2,081	1,931	1,274	657	X	X		X			X	X		X	X	X	X		X			X	X	X			X	X	X	X	X			X	X	X	X	X		12

See footnotes at end of table.

EXHIBIT 7—BREAKDOWN OF COMMODITIES CARRIED BY NEW YORK STATE COUNTIES—Continued

County/city or Indian reservation	Total number of eligibles	Number of Recipients			Name of commodity (6)																																			
		Total	Public assistance	Other	Apricot nectar	Beans, dry	Beans, canned green	Bulgur	Butter	Cheese	Cornmeal	Egg mix, scrambled	Flour	Farina	Fowl, canned whole	Grape juice	Grits, Corn	Lard/shortening	Margarine	Meat, chopped, canned	Milk, evaporated	Milk, instant	Milk mix (choc. bev.)	Milk, nonfat dry	Oats, rolled	Peanut butter	Peas, canned split	Peas, dried	Potatoes, dehy., white	Prunes, dried	Prune juice	Raisins	Rice	Syrup, corn	Tomatoes, canned	Tomato juice	Wheat, rolled	Canned pork	Canned beef	Number of commodities carried
(1)	(2)	(3)	(4)	(5)																																				
Delaware	2,823	2,779	384	2,395	X	--	--	X	--	--	X	X	--	X	X	X	X	--	X	--	--	X	X	--	--	X	X	X	X	X	X	--	--	X	X	--	X	X	--	14
Essex	2,579	2,458	606	1,852	X	X	--	X	--	--	X	X	--	X	X	X	X	--	X	--	--	X	X	X	--	--	X	X	X	X	X	--	--	X	X	X	X	--	X	11
Franklin	5,140	4,996	1,027	3,969	X	X	--	X	--	--	X	X	--	X	X	X	X	--	X	--	--	X	X	--	X	--	X	X	X	X	X	--	--	--	X	--	X	--	X	14
Fulton	3,584	3,465	1,499	1,957	X	X	--	X	--	--	X	X	--	X	X	X	X	--	X	--	--	X	X	--	--	--	X	X	X	X	X	--	--	--	X	--	X	--	X	15
Genesee	2,466	2,394	1,366	1,026	X	X	--	X	--	--	X	--	--	X	--	X	X	--	X	--	--	X	X	--	--	--	X	X	--	X	X	--	--	--	X	--	X	X	X	17
Greene	1,016	962	488	474	X	X	--	X	--	--	X	X	--	X	X	X	X	--	X	--	--	X	X	--	X	--	X	X	X	X	X	--	--	--	X	--	X	--	X	14
Hamilton	290	285	15	270	X	X	--	X	--	--	X	X	--	X	X	X	X	--	X	--	--	X	X	--	--	--	X	X	--	X	X	--	--	--	X	--	X	--	X	16
Herkimer	2,066	1,899	812	1,087	X	X	--	X	--	--	X	X	--	X	X	X	X	--	X	--	X	X	X	--	--	--	X	X	--	X	X	--	X	--	X	--	X	--	X	14
Jefferson	5,677	5,368	2,195	3,173	X	X	--	X	--	--	X	X	--	X	X	X	X	--	X	--	--	X	X	--	--	--	X	X	X	X	X	--	--	X	X	--	X	--	X	15
Lewis	3,002	2,908	602	2,306	X	X	--	X	--	--	X	X	--	X	X	X	X	--	X	--	--	X	X	--	--	--	X	X	X	X	X	--	--	X	X	--	X	--	X	15
Livingston	1,637	1,472	437	1,035	X	--	--	X	--	--	X	X	--	X	X	X	X	--	X	--	--	X	X	--	--	--	X	X	X	X	X	--	--	X	X	--	X	--	--	15
Madison	3,372	3,168	1,181	1,987	X	X	--	X	--	--	X	X	--	X	X	X	X	--	X	--	--	X	X	--	--	--	X	X	X	X	X	--	--	X	X	--	X	--	X	16
Monroe	19,398	16,784	14,500	2,284	X	X	--	X	--	--	X	X	--	X	X	X	X	--	X	--	--	X	X	--	--	--	X	X	--	X	X	--	--	X	X	--	X	--	X	16
Montgomery	2,579	2,479	1,201	1,278	X	X	--	X	--	--	X	X	--	X	X	X	X	--	X	X	--	X	X	--	X	--	X	X	X	X	X	--	--	--	X	--	X	--	--	13
Nassau	18,765	15,553	15,125	428	X	--	--	X	--	--	X	X	X	X	X	X	X	--	X	X	--	X	X	X	X	--	X	X	X	--	X	X	--	X	X	--	X	--	X	11
Oneida	15,548	10,142	6,391	3,751	X	X	--	X	--	--	X	X	--	X	X	X	X	--	X	--	--	X	X	--	--	--	X	X	X	X	X	--	--	--	X	--	X	X	X	16
Onondaga	23,422	18,868	17,043	1,825	X	X	--	X	--	--	X	X	--	X	X	X	X	--	X	--	--	X	X	--	X	--	X	X	X	X	X	--	--	--	X	--	X	--	X	14
Orleans	1,938	1,856	1,252	684	X	--	--	X	--	--	X	X	--	X	--	X	X	X	X	--	--	X	X	--	--	--	X	X	--	X	X	--	--	--	X	--	X	--	X	16
Oswego	5,553	5,375	1,921	3,454	X	X	--	X	--	--	X	X	--	X	X	X	X	--	X	--	--	X	X	--	X	--	X	X	X	X	X	--	--	--	X	--	X	--	X	14
Rensselaer	7,850	6,923	4,523	2,400	--	X	--	--	--	--	X	X	--	--	X	--	--	--	--	--	--	--	--	--	--	--	--	--	X	X	--	--	--	--	--	--	--	--	X	15
St. Lawrence	9,399	8,983	3,864	5,119	--	X	--	--	--	--	X	X	--	--	X	--	--	--	--	--	--	--	--	--	--	X	--	--	X	X	--	--	--	X	--	--	--	--	--	13
Saratoga	2,305	2,266	475	1,791	--	X	--	--	--	--	X	X	--	--	X	--	--	--	--	--	--	--	--	--	--	--	--	--	X	X	--	--	--	--	--	--	--	--	X	15
Schenectady	3,059	2,768	2,343	417	--	X	--	--	--	--	X	X	--	--	X	--	--	X	--	--	--	--	--	--	--	--	--	--	X	X	--	--	--	X	--	--	--	--	X	13
Schoharie	1,770	1,725	250	1,475	X	X	--	X	--	--	X	X	--	X	X	X	X	--	X	--	--	X	X	--	X	--	X	X	X	X	X	--	--	--	X	--	X	--	X	14
Schuyler	865	834	244	590	X	--	--	X	--	--	X	X	--	X	X	X	X	--	X	--	--	X	X	--	--	X	X	X	--	X	X	--	--	X	X	--	X	X	--	15
Seneca	1,276	1,092	452	640	X	X	--	X	--	--	X	X	--	X	--	X	X	--	X	--	--	X	X	--	--	--	X	X	--	X	X	--	--	--	X	--	X	X	X	16
Steuben	6,134	5,989	660	5,329	X	X	--	X	--	--	X	X	--	X	X	X	X	--	X	X	--	X	X	--	X	--	X	X	X	X	X	--	--	--	X	--	X	--	--	13
Suffolk	32,170	20,965	19,780	1,185	X	X	--	X	--	--	X	X	X	X	X	X	X	--	X	X	--	X	X	X	X	--	X	X	X	--	X	X	--	X	X	--	X	--	X	10
Tioga	2,486	2,319	837	1,482	X	--	--	X	--	--	X	X	--	X	X	X	X	--	X	--	--	X	X	--	--	--	X	X	--	X	X	--	--	X	X	--	X	X	--	16
Tompkins	1,845	1,754	1,231	523	X	X	--	X	--	--	X	X	--	X	X	X	X	--	X	--	--	X	X	--	X	--	X	X	X	X	X	--	--	--	X	--	X	X	--	14
Ulster	3,058	2,642	1,664	978	X	X	--	X	--	--	X	X	--	X	X	X	X	--	X	--	X	X	X	--	X	--	X	X	X	X	X	X	--	X	X	--	X	--	X	11
Warren	2,532	2,413	1,000	1,413	X	X	--	X	--	--	X	X	--	X	X	X	X	--	X	--	--	X	X	--	--	--	X	X	X	X	X	--	--	X	--	--	X	--	X	15
Washington	3,860	3,607	787	2,820	X	X	--	X	--	--	X	X	--	X	X	X	X	--	X	--	--	X	X	--	X	--	X	X	X	X	X	--	--	X	--	--	X	--	X	14
Westchester	17,924	13,627	13,036	591	X	--	--	X	--	--	X	X	--	X	X	X	X	--	X	X	--	X	X	X	X	--	X	X	X	X	X	X	--	X	X	--	X	--	X	12
Yates	1,296	1,199	322	877	X	X	--	X	--	--	X	X	--	X	X	X	X	--	X	--	--	X	X	--	X	--	X	X	X	X	X	--	--	--	X	--	X	X	--	14
City of Auburn	1,860	1,805	557	1,248	X	X	--	X	--	--	X	X	--	X	X	X	X	--	X	--	--	X	X	--	--	--	X	X	--	X	X	--	--	--	X	--	X	--	X	16
City of Binghamton	5,134	4,281	2,542	1,739	X	X	--	X	--	--	X	X	--	X	X	X	X	--	X	--	--	X	X	--	--	--	X	X	--	X	X	--	--	--	X	--	X	--	X	16
City of Oswego	1,175	1,005	321	684	X	X	--	X	--	--	X	X	--	X	X	X	X	--	X	--	--	X	X	--	--	--	X	X	--	X	X	--	--	--	X	--	X	--	X	16
Town of Union	764	674	351	323	X	--	--	X	--	--	X	X	--	X	X	X	X	--	X	--	--	X	X	--	--	--	X	X	X	X	X	--	--	X	X	--	X	X	X	15
New York City	557,926	356,985	340,942	16,043	X	--	--	X	--	--	--	--	--	X	X	X	X	--	X	--	--	X	X	--	--	--	X	X	--	--	X	X	--	--	X	--	X	--	X	19
Total	811,947	572,789	476,379	96,410	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	X	--

* All counties received all commodities except where an "X" appears.

LEAVES OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. CAREY (at the request of Mr. PODELL), for the balance of the week, on account of business in the district.

Mr. PREYER of North Carolina (at the request of Mr. GALIFIANAKIS), for today, on account of official business.

Mr. HARSHA (at the request of Mr. GERALD R. FORD), for today and the balance of the week, on account of illness in the family.

Mr. CHARLES H. WILSON (at the request of Mr. SISK) 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. GROSS, for 60 minutes, on Wednesday, July 16, to revise and extend his remarks and to include extraneous matter.

Mr. WAGGONNER, for 10 minutes, today, to revise and extend his remarks and to include extraneous matter.

Mr. FINDLEY, for 30 minutes, on Tuesday, July 22, to revise and extend his remarks and include extraneous matter.

Mr. CONTE (at the request of Mr. COUGHLIN), for 30 minutes, today, to revise and extend his remarks and include extraneous matter.

(The following Members (at the request of Mr. FLOWERS), to revise and extend their remarks and include extraneous matter:)

Mr. REUSS, for 20 minutes, today.

Mr. FLOOD, for 15 minutes, today.

Mr. FARBSTEIN, for 30 minutes, today.

Mr. FALLON, for 15 minutes, today.

Mr. GONZALEZ, for 10 minutes, today.

Mr. SIKES, for 30 minutes, on July 16.

Mr. DIGGS, for 60 minutes, on July 23.

Mr. LOWENSTEIN, for 60 minutes, on July 17.

EXTENSIONS OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. HECHLER of West Virginia in two instances.

(The following Members (at the request of Mr. COUGHLIN) and to include extraneous matter:)

Mr. BUSH in two instances.

Mr. SCHADEBERG.

Mr. WYATT.

Mr. STEIGER of Wisconsin in two instances.

Mr. BROCK.

Mr. HOSMER in five instances.

Mr. WYDLER.

Mr. PELLY in two instances.

Mr. WYLIE.

Mr. ANDREWS of North Dakota.

Mr. MCCLURE in two instances.

Mr. WOLD.

Mr. UTT.

Mr. DUNCAN.

Mr. MORSE.

Mr. ROBISON.

Mr. HUTCHINSON.

Mr. BRAY in three instances.

Mr. KEITH.

Mr. GUBSER in two instances.

Mr. WYMAN in two instances.

Mr. POFF.

Mr. SCHNEEBELI in two instances.

Mr. DERWINSKI in two instances.

Mr. BOB WILSON in two instances.

Mr. HORTON in two instances.

Mr. ASHBROOK.

Mr. DAVIS of Wisconsin in two instances.

Mr. DON H. CLAUSEN.

Mr. DEVINE.
Mr. ROTH in five instances.
Mr. MARTIN.
Mr. STEIGER of Arizona.
Mr. BURTON of Utah in 10 instances.
(The following Members (at the request of Mr. FLOWERS) and to include extraneous matter:)
Mr. CHARLES H. WILSON in three instances.
Mr. PEPPER in two instances.
Mr. ROSENTHAL in five instances.
Mr. MONTGOMERY in two instances.
Mr. MATSUNAGA in two instances.
Mr. DINGELL in two instances.
Mr. EILBERG.
Mr. MURPHY of New York in three instances.
Mr. CULVER in three instances.
Mr. RODINO in two instances.
Mr. ASHLEY.
Mr. HÉBERT.
Mr. MCCARTHY in four instances.
Mr. WILLIAM D. FORD in two instances.
Mr. WOLFF in two instances.
Mr. PODELL in three instances.
Mr. STEPHENS.
Mr. STUCKEY in two instances.
Mr. BOLAND in two instances.
Mr. ANDERSON of California in three instances.
Mr. BIAGGI.
Mr. BINGHAM in two instances.
Mr. BARING.
Mrs. SULLIVAN in three instances.
Mr. GONZALEZ in two instances.
Mr. RYAN in four instances.
Mrs. MINK in two instances.
Mr. RARICK in three instances.
Mr. PICKLE in two instances.
Mr. FRASER.
Mr. O'HARA in two instances.
Mr. HAMILTON in three instances.
Mr. MOORHEAD in two instances.
Mr. FEIGHAN in five instances.
Mr. GALIFIANAKIS.
Mr. NICHOLS.
Mr. DULSKI in four instances.
Mr. COHELAN in four instances.
Mr. HAGAN in four instances.
Mr. GETTYS in two instances.
Mr. FLOWERS in three instances.
Mr. HECHLER of West Virginia in four instances.

SENATE BILLS AND JOINT RESOLUTION REFERRED

Bills and joint resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 267. An act for the relief of Lt. Col. Samuel J. Cole, U.S. Army (retired); to the Committee on the Judiciary.

S. 571. An act for the relief of Dr. Diego Aguilar Aranda; to the Committee on the Judiciary.

S. 1110. An act for the relief of Nickolas George Polizos; to the Committee on the Judiciary.

S. 1526. An act for the relief of Dr. Zeliha Bilsel; to the Committee on the Judiciary.

S. 1527. An act for the relief of Dr. Yilmaz Bilsel; to the Committee on the Judiciary.

S. 1645. An act for the relief of Andrew Chu Yang; to the Committee on the Judiciary.

S. 1798. An act for the relief of Dr. Yavuz Aykent; to the Committee on the Judiciary.

S. 1963. An act for the relief of Wu Hip; to the Committee on the Judiciary.

S. 2019. An act for the relief of Dug Foo Wong; to the Committee on the Judiciary.

S. 2462. An act to amend the joint resolution establishing the American Revolution Bicentennial Commission; to the Committee on the Judiciary.

S.J. Res. 85. Joint resolution to provide for the designation of the period from August 26, 1969, through September 1, 1969, as "National Archery Week"; 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. 1828. An act to confer U.S. citizenship posthumosuly upon James F. Wegener;

H.R. 1948. An act to confer U.S. citizenship posthumously upon Private First Class Joseph Anthony Snitko;

H.R. 2224. An act for the relief of Franklin Jacinto Antonio;

H.R. 2536. An act for the relief of Francesca Adriana Millonzi;

H.R. 2890. An act for the relief of Rueben Rosen;

H.R. 3166. An act for the relief of Aleksandar Zambeli;

H.R. 3167. An act for the relief of Ryszard Stanislaw Obacz;

H.R. 3172. An act for the relief of Yolanda Fulgencio Hunter;

H.R. 3376. An act for the relief of Maria da Conceicao Evaristo; and

H.R. 10060. An act for the relief of Lance Cpl. Peter M. Nee (2465662).

BILL PRESENTED TO THE PRESIDENT

Mr. FRIEDEL, from the Committee on House Administration, reported that that committee did on July 14, 1969, present to the President, for his approval, a bill of the following title

H.R. 11400. An act making supplemental appropriations for the fiscal year ending June 30, 1969, and for other purposes.

ADJOURNMENT

Mr. FLOWERS. Mr. Speaker, I move that the House do now adjourn.

The motion was ageed to; accordingly (at 4 o'clock and 3 minutes p.m.), the House adjourned until tomorrow Wednesday, July 16, 1969, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

959. A letter from the Acting General Counsel, Department of Defense, transmitting a draft of proposed legislation to authorize the Secretary concerned to apply the pay and allowances of a missing member of an armed force to the purchase of U.S. savings bond and savings notes under certain circumstances; to the Committee on Armed Services.

960. A letter from the Secretary of Housing and Urban Development, transmitting a draft of proposed legislation to amend and extend laws relating to housing and urban development, and for other purposes; to the Committee on Banking and Currency.

961. A letter from the Chairman, Federal Deposit Insurance Corporation, transmitting the 1968 annual report of the operations of the Corporation, pursuant to the provisions of section 17(a) of the Federal Deposit Insurance Act; to the Committee on Banking and Currency.

962. A letter from the Director, District of Columbia Bail Agency, transmitting the views of the Agency with regard to proposed legislation to amend the District of Columbia Bail Agency Act (80 Stat. 327), previously submitted; to the Committee on the District of Columbia.

963. A letter from the Comptroller General of the United States, transmitting a report of a review of the status of development toward establishment of a unified national communications system; to the Committee on Government Operations.

964. A letter from the Comptroller General of the United States, transmitting a report on the reasonableness of prices questioned for bomb and hand grenade fuses under three negotiated contracts, Department of the Army; to the Committee on Government Operations.

965. A letter from the Assistant Secretary of the Interior, transmitting copies of the public laws enacted by the Ninth Guam Legislature in its 1968 sessions, pursuant to the provisions of section 19 of the Organic Act of Guam; to the Committee on Interior and Insular Affairs.

966. A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to regulate interstate commerce by strengthening and improving consumer protection under the Federal Food, Drug, and Cosmetic Act with respect to fish and fishery products, including provision for assistance to, and cooperation with, the States in the administration of their related programs and assistance by them in the carrying out of the Federal program, and for other purposes; to the Committee on Interstate and Foreign Commerce.

967. A letter from the Secretary of the Interior, transmitting a draft of proposed legislation to amend the Federal Water Pollution Control Act, as amended; to the Committee on Public Works.

968. A letter from the Attorney General transmitting a draft of proposed legislation to protect the public health and safety by amending the narcotic, depressant, stimulant, and hallucinogenic drug laws, and for other purposes; to the Committee on Ways and Means.

969. A letter from the Attorney General, transmitting a draft of proposed legislation to amend the Internal Revenue Code of 1954 to make qualification under State law a prerequisite to registration under the narcotic drug and marihuana laws, to eliminate the provision permitting payment of tax to acquire marihuana by unregistered persons, and for other related purposes; to the Committee on Ways and Means.

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. GARMATZ: Committee on Merchant Marine and Fisheries. H.R. 7517. A bill to amend the Canal Zone Code to provide cost-of-living adjustments in cash relief payments to certain former employees of the Canal Zone Government, and for other purposes; with amendment (Rept. No. 91-380). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG: Committee on Rules. House Resolution 483. Resolution for consideration of 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. 91–381). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MILLS (for himself and Mr. BYRNES of Wisconsin):

H.R. 12829. A bill to provide an extension of the interest equalization tax, and for other purposes; to the Committee on Ways and Means.

By Mr. ADAMS:

H.R. 12830. A bill to amend the act of September 5, 1962 (76 Stat. 435), providing for the establishment of the Frederick Douglass home as a part of the park system in the National Capital; to the Committee on Interior and Insular Affairs.

By Mr. ADAMS (for himself, Mr. FRIEDEL, Mr. MOSS, Mr. OTTINGER, and Mr. TIERNAN):

H.R. 12831. A bill to amend the Federal Aviation Act of 1958 to provide for the certification of airfreight forwarders; to the Committee on Interstate and Foreign Commerce.

By Mr. ANDREWS of North Dakota:

H.R. 12832. A bill to increase the authorization for the appropriation of funds to complete the International Peace Garden, N. Dak.; to the Committee on Interior and Insular Affairs.

By Mr. ASHLEY:

H.R. 12833. A bill to amend section 235 of the National Housing Act to provide more flexible mortgage limits in order to encourage the development of homeownership in high-cost areas for lower income families; to the Committee on Banking and Currency.

By Mr. BINGHAM:

H.R. 12834. A bill to improve and increase postsecondary educational opportunities throughout the Nation by providing assistance to the States for the development and construction of comprehensive community colleges; to the Committee on Education and Labor.

H.R. 12835. A bill to repeal the Emergency Detention Act of 1950 (title II of the Internal Security Act of 1950); to the Committee on Internal Security.

By Mr. BLACKBURN:

H.R. 12836. A bill to amend the Communications Act of 1934 to establish orderly procedures for the consideration of applications for renewal of broadcast licenses; to the Committee on Interstate and Foreign Commerce.

By Mr. BRADEMAS:

H.R. 12837. A bill to amend the Military Selective Service Act of 1967 to provide for a fair and random system of selecting persons for induction into military service, to provide for the uniform application of selective service policies, to raise the incidence of volunteers in military service, and for other purposes; to the Committee on Armed Services.

H.R. 12838. A bill to amend the Small Business Act to make crime protection insurance available to small business concerns; to the Committee on Banking and Currency.

H.R. 12839. A bill to promote public health and welfare by expanding, improving, and a study of essential railroad passenger services and population research activities of the Federal Government, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 12840. A bill to amend the Public Health Service Act so as to add to such act a new title dealing especially with kidney disease and kidney-related diseases; to the Committee on Interstate and Foreign Commerce.

By Mr. BURTON of Utah:

H.R. 12841. A bill to amend section 13a of the Interstate Commerce Act, to authorize a study of essential railroad passenger service by the Secretary of Transportation, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. CORMAN (for himself and Mr. BURKE of Massachusetts):

H.R. 12842. A bill to amend the Internal Revenue Code of 1954 to treat certain foster children of an individual as his natural children for purposes of the dependency exemption; to the Committee on Ways and Means.

By Mr. DENNEY:

H.R. 12843. A bill to prohibit the use of interstate facilities, including the mails, for the transportation of salacious advertising; to the Committee on the Judiciary.

By Mr. EDWARDS of Alabama (for himself, Mr. ANDERSON of Illinois, and Mr. TAFT):

H.R. 12844. A bill to provide for an examination of U.S. Government public information activities in foreign countries; to the Committee on Foreign Affairs.

By Mr. GONZALEZ:

H.R. 12845. A bill to amend the Agricultural Adjustment Act, as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, as amended, and for other purposes; to the Committee on Agriculture.

By Mr. GUBSER (for himself, Mr. JOHNSON of California, Mr. LEGGETT, and Mr. PIRNIE):

H.R. 12846. A bill to amend title 10 of the United States Code to provide for additional nominations by Members of Congress of persons for appointment to the service academies by the Secretaries of the military departments; to the Committee on Armed Services.

By Mr. HAMMERSCHMIDT:

H.R. 12847. A bill to amend the Public Health Service Act so as to add to such act a new title dealing especially with kidney disease and kidney-related diseases; to the Committee on Interstate and Foreign Commerce.

By Mr. HOWARD:

H.R. 12848. A bill to amend the Internal Revenue Code of 1954 to provide a deduction from gross income for certain funeral expenses; to the Committee on Ways and Means.

By Mr. KUYKENDALL:

H.R. 12849. A bill to amend section 203, Federal Property and Administrative Services Act of 1949, to provide for the distribution of surplus personal property to State and local police organizations; to the Committee on Government Operations.

H.R. 12850. A bill to prohibit the mailing of certain obscene matter; to the Committee on Post Office and Civil Service.

By Mr. MATSUNAGA:

H.R. 12851. A bill to provide relief for certain claimants against the vested assets of Japanese banks; to the Committee on Interstate and Foreign Commerce.

H.R. 12852. A bill to provide relief for certain prewar Japanese bank claimants; to the Committee on Interstate and Foreign Commerce.

By Mr. MORGAN:

H.R. 12853. A bill to amend the Foreign Military Sales Act; to the Committee on Foreign Affairs.

By Mr. NELSEN (for himself, Mr. GERALD R. FORD, Mr. SPRINGER, Mr. O'KONSKI, Mr. HARSHA, Mr. HORTON, Mr. BROYHILL of Virginia, Mr. WINN, Mr. GUDE, Mr. STEIGER of Arizona, Mrs. MAY, Mr. HOGAN, Mr. MCCLORY, and Mr. POFF):

H.R. 12854. A bill to reorganize the courts of the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

H.R. 12855. A bill to amend the District of Columbia Bail Agency Act to increase the effectiveness of the Bail Agency, and for other purposes; to the Committee on the District of Columbia.

H.R. 12856. A bill to expand and improve public defender services in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. POFF:

H.R. 12857. A bill to improve the judicial machinery in customs courts by amending the statutory provisions relating to judicial actions and administrative proceedings in customs matters, and for other purposes; to the Committee on the Judiciary.

By Mr. POLLOCK:

H.R. 12858. A bill to provide for the disposition of certain funds awarded to the Tlingit and Haida Indians of Alaska by a judgment entered by the Court of Claims against the United States; to the Committee on Interior and Insular Affairs.

By Mr. RODINO:

H.R. 12859. A bill to amend part A of title IV of the Social Security Act to make the program of aid to families with dependent children a wholly Federal program, to be administered by local agencies under federally prescribed terms and conditions (embodying the eligibility formulas currently in effect in the several States but designed to encourage such States to apply nationally uniform standards), with the cost being fully borne by the Federal Government; to the Committee on Ways and Means.

By Mr. SAYLOR (for himself and Mr. SKUBITZ):

H.R. 12860. A bill to establish the Ford's Theatre National Historic Site, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SAYLOR (for himself, Mr. ABBITT, Mr. DENT, Mr. DUNCAN, Mr. HENDERSON, Mr. HULL, Mr. JOHNSON of California, Mr. JONES of North Carolina, Mr. MCKNEALLY, Mr. NIX, Mr. PUCINSKI, Mr. SCHEUER, and Mr. TUNNEY):

H.R. 12861. A bill to amend the Internal Revenue Code of 1954 to increase from $600 to $1,000 the personal income tax exemptions of a taxpayer (including the exemption for a spouse, the exemptions for a dependent, and the additional exemptions for old age and blindness); to the Committee on Ways and Means.

By Mr. SPRINGER (for himself and Mr. GERALD R. FORD):

H.R. 12862. A bill to provide for the expansion and improvement of the Nation's airport and airway system, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. STOKES:

H.R. 12863. A bill to amend the Sugar Act of 1948 to terminate the quota for South Africa; to the Committee on Agriculture.

H.R. 12864. A bill to amend the Federal Property and Administrative Services Act of 1949, as amended, to provide for the assignment of surplus real property to executive agencies for disposal, and for other purposes; to the Committee on Government Operations.

H.R. 12865. A bill to amend the Federal Aviation Act of 1958 to authorize reduced-rate transportation for certain additional persons on a space-available basis; to the Committee on Interstate and Foreign Commerce.

H.R. 12866. A bill to amend title IV of the Public Health Service Act to provide for the establishment of a National Lung Institute; to the Committee on Interstate and Foreign Commerce.

By Mr. STUCKEY:

H.R. 12867. A bill to amend the Investment Company Act of 1940 and the Investment Advisers Act of 1940 to define the equitable standards governing relationships between investment companies and their investment advisers and principal underwriters, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. TIERNAN:

H.R. 12868. A bill to implement the Federal employee pay comparability system, to establish a Federal Employee Salary Commission and a Board of Arbitration, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. UTT:

H.R. 12869. A bill to amend section 4005 of title 39, United States Code, to restore to such section the provisions requiring proof of intent to deceive in connection with the use of the mails to obtain money or property by false pretenses, representations, or promises; to the Committee on Post Office and Civil Service.

By Mr. DON H. CLAUSEN:

H.R. 12870. A bill to provide for the establishment of the King Range National Conservation Area in the State of California; to the Committee on Interior and Insular Affairs.

By Mr. CONABLE:

H.R. 12871. A bill to amend title 39, United States Code, to exclude from the U.S. mails as a special category of nonmailable matter certain obscene material sold or offered for sale to minors, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. CONYERS:

H.R. 12872. 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. GIBBONS:

H.R. 12873. A bill to authorize the U.S. Commissioner of Education to make grants to elementary and secondary schools and other educational institutions for the conduct of special educational programs and activities concerning the use of drugs, and for other related educational purposes; to the Committee on Education and Labor.

By Mr. GRAY:

H.R. 12874. A bill to afford protection to the public from offensive intrustion into their homes through the postal service of sexually oriented mail matter, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. HAGAN:

H.R. 12875. A bill to provide for the more efficient development and improved management of national forest commercial forest land, to establish a high-timber-yield fund, and for other purposes; to the Committee on Agriculture.

By Mr. MARTIN:

H.R. 12876. A bill to amend the Consumer Credit Protection Act to retain the effectiveness of materialmen's and mechanic's liens; to the Committee on Banking and Currency.

By Mr. RUPPE (for himself, Mr. McDONALD of Michigan, Mr. VANDER JAGT, and Mr. ESCH):

H.R. 12877. A bill to amend the Fish and Wildlife Coordination Act to provide for the establishment of a Council on Environmental Quality, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. STEIGER of Arizona:

H.R. 12878. A bill to amend the act of August 9, 1955, to authorize longer term leases of Indian lands at the Yavapai-Prescott Community Reservation in Arizona; to the Committee on Interior and Insular Affairs.

By Mr. TAYLOR:

H.R. 12879. A bill to increase from $600 to $1,000 the personal income tax exemptions of a taxpayer (including the exemption for a spouse, the exemption for a dependent, and the additional exemption for old age and blindness); to the Committee on Ways and Means.

By Mr. WALDIE:

H.R. 12880. A bill to promote public confidence in the integrity of Congress by providing for public disclosure of Federal income tax returns by Members of Congress and candidates for that office; to the Committee on Standards of Official Conduct.

By Mr. WAMPLER:

H.R. 12881. A bill to amend the Internal Revenue Code of 1954 to increase from $600 to $1,000 the personal income tax exemptions of a taxpayer (including the exemption for a spouse, the exemptions for a dependent, and the additional exemptions for old age and blindness) over a 4-year period; to the Committee on Ways and Means.

By Mr. CHARLES H. WILSON:

H.R. 12882. A bill to provide for a comprehensive and coordinated attack on the narcotic addiction and drug abuse problem, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. CHARLES H. WILSON (for himself, Mr. PURCELL, Mr. TIERNAN, Mr. WALDIE, Mr. WHITE, Mr. DERWINSKI, Mr. MESKILL, and Mr. SCOTT):

H.R. 12883. A bill to amend title 13, United States Code, to provide for a middecade census of population in the year 1975 and every 10 years thereafter; to the Committee on Post Office and Civil Service.

H.R. 12884. A bill to amend title 13, United States Code, to assure confidentiality of information furnished in response to questionnaires, inquiries, and other requests of the Bureau of the Census, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. MATHIAS (for himself, Mr. ASPINALL, Mr. BROTZMAN, Mr. DON H. CLAUSEN, Mr. DEL CLAWSON, Mr. COHELAN, Mr. CORMAN, Mr. EVANS of Colorado, Mr. HANNA, Mr. MCCLOSKEY, Mr. PETTIS, Mr. REES, Mr. ROGERS of Colorado, Mr. TALCOTT, Mr. WIGGINS, Mr. BOB WILSON, and Mr. CHARLES H. WILSON):

H.J. Res. 815. Joint resolution to welcome to the United States all Olympic athletes and authorized Olympic delegations, and for other purposes; to the Committee on Foreign Affairs.

By Mr. MIZELL:

H.J. Res. 816. Joint resolution proposing an amendment to the Constitution of the United States with respect to the offering of prayer in public buildings; to the Committee on the Judiciary.

By Mr. WYDLER:

H.J. Res. 817. Joint resolution proposing an amendment to the Constitution of the United States to provide that no person shall serve as an Associate Justice of the Supreme Court or as Chief Justice of the United States, nor as a Member of Congress, after having attained the age of 70 years; to the Committee on the Judiciary.

By Mr. ADAIR:

H. Con. Res. 301. Concurrent resolution expressing the sense of Congress relating to the establishment of the National Gerontology Center; to the Committee on Education and Labor.

By Mr. EILBERG:

H. Con. Res. 302. Concurrent resolution expressing the sense of the Congress with respect to the recent elimination of the 2-percent allowance in lieu of certain provider costs under the medicare program; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOLAND:

H.R. 12885. A bill for the relief of Antoni de Januszkowski and Maurice Lemee; to the Committee on the Judiciary.

By Mr. BRAY:

H.R. 12886. A bill for the relief of Floyd L. Gosnell; to the Committee on the Judiciary.

By Mr. BURLESON of Texas:

H.R. 12887. A bill for the relief of John A. Avdeef; to the Committee on the Judiciary.

By Mr. BYRNE of Pennsylvania:

H.R. 12888. A bill for the relief of Dr. Rustico C. Polutan; to the Committee on the Judiciary.

By Mr. CONTE:

H.R. 12889. A bill for the relief of Mr. Michele Trotta and Mrs. Reparata Trotta; to the Committee on the Judiciary.

By Mr. MURPHY of New York:

H.R. 12890. A bill for the relief of Mario and Anna Maria Barone; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

178. The SPEAKER presented a petition of United Steel Workers of America, Local 2063, New York, N.Y., relative to tax reform, which was referred to the Committee on Ways and Means.

EXTENSIONS OF REMARKS

DWIGHT DAVID EISENHOWER

HON. WILLIAM S. MAILLIARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 10, 1969

Mr. MAILLIARD. Mr. Speaker, I would like to join my colleagues in paying tribute to Dwight David Eisenhower, soldier and statesman, general, and President, who dedicated his life to serving our country. His death brought great sadness to all Americans, especially to those who served in Congress during the 8 years of his Presidency.

His warm smile, his dedication, his honesty, and courage endeared him to to the world and kindled in Americans patriotism and statesmanship, in the finest sense of the words.

Ike lived a full and rewarding life, inspiring faith in the democratic process in his fellow Americans. His heroic and courageous struggle to continue living under adverse and often painful conditions was itself a memorial to his great personal integrity and unyielding spirit. Distinguished men require no tributes; their actions, decisions, and character cannot possibly be heightened by any additional adornments. Simply because of their existence the world is changed, and continues to improve.

All men of the world will continue to express their affection and admiration for Dwight David Eisenhower, a true citizen of the world. His unselfish and