tenance, inflight guidance, component failures, and effectiveness of MIRV separation. The MIRV reliability includes the same types of factors for the portion of the flight after the MIRV has departed from the "bus." In addition, the MIRV reliability includes the probability that the warhead will detonate at the right time, in the right place, and in the proper manner.

[5] "SS–9 Helps Administration Score Points in Missile Debate" by J. W. Finney, The New York Times, March 24, 1969, Page 30. In his testimony, Packard said that with an accuracy of about 3000 feet and a warhead yield of 20 MT, the SS–9 could destroy a Minuteman silo. Ninety-four per cent of the time, 300 psi would be produced at the Minuteman silo under the above conditions (i.e. warhead accuracy of 3000 feet and warhead yield of 20 MT). After assuming that a confidence level of 90 per cent or above was sufficient to consider a target "destroyed," the silo hardness was set at 800 psi since the confidence level in the destruction of the silo is 94 per cent.

[6] The single-shot kill probability of a given missile is the probability that the missile will destroy its target. Since a missile's utility drops to zero after the missile's warhead explodes, the missile has only a single shot at its target.

[7] Missile accuracies are measured in terms of circular errors of probability. The circular error of probability of a missile is defined as the radius of the circle, whose center is the point at which the missile was aimed, within which the missile lands 50 per cent of the time when fired over the distance the missile is supposed to travel in combat. The circular errors of probability (CEPs) in this study will be given in feet.

[8] A computer run is one complete execution of a set of instructions given to the computer. In this case, the set of instructions given to the computer told it to compute the results of 972 different types of Soviet attacks and U.S. counter-attacks and then to print the results of each attack and counter-attack.

[9] "Statement of Secretary of Defense Robert S. McNamara before the House Armed Services Committee on the Fiscal Year 1968–72 Defense Program and 1968 Defense Budget," Robert S. McNamara, published by the U.S. Government Printing Office, Washington, 1968, Pages 41 and 43.

[10] "The Effects of Nuclear Weapons," edited by Samuel Glasstone, published by the USAEC, April 1962, Washington, Chapter 5.

Mr. McCARTHY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H.R. 7215) to provide for the striking of medals in commemoration of the 50th anniversary of the U.S. Diplomatic Courier Service.

ADJOURNMENT

Mr. McCARTHY. Mr. President, 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 12 minutes p.m.) the Senate adjourned until tomorrow, Friday, July 18, 1969, at 12 o'clock noon.

CONFIRMATIONS

Executive nominations confirmed by the Senate, July 17, 1969:

DEPARTMENT OF JUSTICE

John O. Olson, of Wisconsin, to be U.S. attorney for the western district of Wisconsin for the term of 4 years.

Farley E. Mogan, of Oregon, to be U.S. marshal for the district of Oregon for the term of 4 years.

HOUSE OF REPRESENTATIVES—*Thursday, July 17, 1969*

The House met at 12 o'clock noon.

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

Make Thy face to shine upon Thy servants; and teach us Thy statutes.—Psalm 119: 135.

Eternal Father of our spirits, whose love never lets us go, whose strength never lets us down, and whose truth never lets us off, in the glory of a new day we lift our hearts unto Thee seeking guidance as we face the trying tasks of this turbulent time.

We quiet our spirits in Thy presence and rest in the assurance that Thy strength makes us strong, Thy wisdom makes us wise, and Thy love makes us loving.

Grant that in this hour we and our Nation may be messengers of hope to the nations of the world, particularly to those who sit in darkness without freedom but with faith in the coming day when liberty shall be the life of all.

Bless us in our endeavors to lift humanity to the heights from whence cometh our help.

In the spirit of Christ we pray. Amen.

THE JOURNAL

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

DISTRICT OF COLUMBIA REVENUE BILL

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

Mr. ADAMS. Mr. Speaker, today several of us on the House District Committee are introducing a District of Columbia revenue bill.

This bill represents substantially the position taken by the District of Columbia government with some changes that we feel are necessary, particularly in the area of advertising services, the theater and special events tax, and in limiting a Federal payment formula to 5 years.

We introduce this bill for consideration by the committee without necessarily advocating each and every one of its provisions or closing the door to further amendments.

The District of Columbia Committee has held lengthy hearings on various revenue proposals. We want, therefore, to urge prompt consideration of this matter and thus have introduced this bill today.

Mr. Speaker, we have now passed the beginning of the fiscal year, yet the District of Columbia has neither a revenue bill nor appropriations for fiscal year 1970. Starting July 1, 1969, the passage of each month without a revenue bill has cost the District of Columbia government an estimated $2 million per month in lost revenues.

We hope by introducing this bill that we can expedite the establishing of a sound financial situation for the District of Columbia.

PERSONAL ANNOUNCEMENT

Mr. HENDERSON. Mr. Speaker, on Tuesday, July 15, I was recorded as not voting on rollcall No. 106, the passage of H.R. 4018 to provide for the renewal and extension of certain sections of the Appalachian Regional Development Act of 1965.

At the time of this vote, I was in conference with officials of the executive branch and a group of my constituents here in the city on a matter of great importance to the Third District of North Carolina.

I have consistently supported the Appalachian Regional Development Act, both in committee and on the House floor.

I should like for the RECORD to show that had I been present, I would have voted "yea" on rollcall No. 106.

GOLDEN EAGLE—PASSPORT TO AMERICA'S GREAT OUTDOORS

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

Mr. MEEDS. Mr. Speaker, I introduce, for appropriate reference, a bill to amend the Land and Water Conservation Fund Act of 1965, as amended, to restore the popular Golden Eagle program for a unified system of annual admission fees to Federal outdoor recreation areas.

This bill would repeal the provision of the 1968 amendment to the fund act by which the Golden Eagle program would go out of existence on March 31 of next year. This would continue to raise needed money for the development of additional outdoor recreational facilities. Although in the first years of the program, these fundraising powers were not as great as had been hoped, this has been improved. The amount raised has grown ninefold since 1965, and over $5 million are projected revenues for 1969. Such a program should not be terminated.

Mr. Speaker, the Golden Eagle program has been more than a fundraiser, however. It has been a particular boon

to the thousands of American citizens who frequent our parks and outdoor recreation areas. Some of these, particularly the retired and the elderly, whose resources are limited, could not otherwise afford to vacation, as the common resort areas are beyond their means. For them, the Golden Eagle has been a "passport" to America's great outdoors.

I am convinced, Mr. Speaker, that the repeal of the Golden Eagle program was a mistake, and I urge prompt, favorable consideration of this measure to restore this worthwile program to the American people.

LAUNCH OF APOLLO 11

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

Mr. MILLER of California. Mr. Speaker, I know that our thoughts, our hearts, and our prayers are with our three astronauts who are now hurtling through space toward the moon.

I bring Members nothing new. All are familiar with this, but I feel it is appropriate that something be said in the RECORD today about the launch of Apollo 11 as of yesterday.

This great rocket flew off after a perfect countdown. The fact that we are able to accomplish a mission such as this, with a vehicle two-thirds as high as the Washington Monument, weighing as much as that portion of the monument, without flaw or hitch is a great compliment to NASA but also is more of a compliment to American industry, to American education, to our university complex, to American management and to American labor.

I know that our prayers go with them because the hardest part of their trip is yet in the future.

PEACE IN VIETNAM

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

Mr. DORN. Mr. Speaker, our country has done everything humanly possible to end the Vietnam war. This administration is doing and has done everything possible consistent with honor, decency, and justice to end this war. The previous administration did likewise. We have done everything short of complete capitulation and surrender. We are not responsible for the continuation of this war. We have even discarded the sane military principle of hitting enemy military bases of supply and assembly. We have placed in jeopardy the security and lives of our men in the field in the hope the carnage can be ended. The government of North Vietnam has not made one single move toward peace. They are entirely responsible for the continuation of this conflict. They could end this war in 1 hour by agreeing to a simple ceasefire while negotiations are in progress. They could have done so last year.

Mr. Speaker, the North Vietnamese Communists have no intention of ending this war as long as they are encouraged by certain irresponsible leaders in this country who hope that we will completely withdraw and leave a free people to their mercy. Hanoi has abandoned hope of a military victory in South Vietnam, but they are counting heavily on dissension, divisions, and downright encouragement by vocal misguided elements in the United States itself. My plea today to my colleagues in the Congress and responsible citizens throughout the country is to unite behind the President in standing firm for peace. These dissident elements in the United States should make it crystal clear to Hanoi that the next move is up to them. The peaceniks, doves, and isolationists in the United States hold in their hands the key to peace. They can end this war by ceasing to encourage Ho Chi Minh.

ADDRESS BY VICE SPEAKER CHANG, OF THE KOREAN NATIONAL ASSEMBLY, THIS AFTERNOON

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

Mr. ALBERT. Mr. Speaker, early in March it was my pleasure to accompany at the request of the Speaker a delegation of Members of the House of Representatives on an official visit to the Republic of Korea in response to an invitation extended to the Speaker by the Korean National Assembly.

This week the House of Representatives is privileged to host, in response to an invitation extended by the Speaker, a distinguished delegation of members of the Korean National Assembly headed by the Honorable Kyung Soon Chang, Vice Speaker. Today marks the last day of the official visit of our Korean friends, and, as chairman of the U.S. delegation to Korea, I would like to extend to Members of the House of Representatives and their staffs an invitation to hear a brief address by Vice Speaker Chang at 3:30 this afternoon in the Foreign Affairs Committee Room, 2172 Rayburn Building, immediately followed by a joint press conference with our two delegations.

CALL OF THE HOUSE

Mr. SAYLOR. 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. 107]

Abbitt	Brown, Calif.	Conte
Addabbo	Brown, Ohio	Daniels, N.J.
Aspinall	Burton, Utah	Davis, Ga.
Baring	Button	Dawson
Berry	Cahill	Delaney
Betts	Carey	Devine
Bingham	Celler	Diggs
Brademas	Clancy	Dingell
Brasco	Clausen,	Dwyer
Brock	Don H.	Eckhardt
Brooks	Clay	Edmondson
Broomfield	Cohelan	Edwards, Ala.
Edwards, Calif.	Latta	Springer
Esch	Lipscomb	Steed
Feighan	Mayne	Talcott
Fraser	Mollohan	Teague, Tex.
Frelinghuysen	Murphy, N.Y.	Tiernan
Green, Pa.	Nix	Tunney
Halpern	Ottinger	Vander Jagt
Harsha	Pollock	Watkins
Hawkins	Powell	Watson
Helstoski	Purcell	Weicker
Howard	Reid, N.Y.	Wilson, Bob
Jacobs	Ronan	Wolff
Jones, N.C.	Schadeberg	Wright
Kirwan	Scheuer	Young

The SPEAKER. On this rollcall 355 Members have answered to their names, a quorum.

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

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE REPORT ON STATE, JUSTICE, COMMERCE, AND THE JUDICIARY APPROPRIATIONS, 1970, UNTIL MIDNIGHT MONDAY, JULY 21, 1969

Mr. ROONEY of New York. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight, Monday, July 21, 1969, to file a report on the State, Justice, Commerce, the judiciary, and related agencies appropriation bill for fiscal year 1970.

Mr. BOW reserved all points of order on the bill.

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

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 7491, STATE TAXATION OF NATIONAL BANKS

Mr. SISK. Mr. Speaker, by direction of the Committee on Rules and in behalf of my colleague the gentleman from Texas (Mr. YOUNG) I call up House Resolution 476 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 476

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. 7491) to clarify the liability of national banks for certain taxes. After general debate which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and 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 now printed in the bill. 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 instruction.

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

Mr. SISK. Mr. Speaker, I yield 30 minutes to the gentleman from California (Mr. SMITH) pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 476 provides an open rule with 1 hour of general debate for consideration of H.R. 7491 to clarify the liability of national banks for certain taxes. The resolution also provides that it shall be in order to consider the committee substitute as an original bill for the purpose of amendment.

The purpose of H.R. 7491 is to subject national banks to the same taxation as State banks.

The bill provides a uniform rule respecting the applicability of any tax law to a national bank. The national bank would be subject to the law to the same extent that it would be if it were a bank chartered under the laws of the State or other jurisdiction where its principal office is located.

The bill applies to all taxation of national banks. Under our Federal system, there are only two sources of sovereign authority: the States, and the Federal Government. Thus, the phrase used in the bill, "any tax law enacted under authority of the United States or any State," covers all possible tax laws in this country, whether State, local, territorial, national, or whatever.

No change whatever is made in the application or effect of the Federal tax laws. The policy of the bill is that there should be no difference in the tax liability of a bank simply on the basis of whether it is State or federally chartered.

The provisions of the bill would become effective on the first day of the calendar year after enactment.

Mr. Speaker, I urge the adoption of House Resolution 476 in order that H.R. 7491 may be considered.

However, Mr. Speaker, I should like to utilize just a moment or two to call to the attention of the House some things I believe are worthy of the attention of the House on this piece of legislation. I raised certain questions at the time of its consideration in the Rules Committee, with reference to procedures, because there were no hearings on this particular piece of legislation.

The question of the taxing of national banks I believe is one we all agree should be carried on exactly the same as for State banks. I understand the banking community itself does not seek to be treated otherwise, but because of certain Supreme Court decisions recently some questions have arisen.

The only thing I am concerned about in connection with the consideration of this legislation is fairness and equity and making certain that the affected people will have an opportunity to express their opinions and very clearly define what is intended by the committee and finally, of course, by the Congress if the bill becomes law.

I understand amendments will be offered, and I also understand there will be a substitute offered for the particular language in the proposed bill.

I might say that the commitee in its consideration before passing the bill out did substitute new language for what was the original language. Of course, this resolution calls for that language to be considered as an original bill.

There have been some questions raised about why the change and why the substitute. I am sure the distinguished gentleman from Texas (Mr. PATMAN) will explain the reasons for this.

I should like to alert the House to the fact that there will be some discussion about the language and the interpretations and some of the committee procedures. With that, Mr. Speaker, I urge the adoption of the resolution to permit the explanation of the legislation to the House.

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

Mr. Speaker, House Resolution 476 does provide an open rule for 1 hour of debate for the consideration of this bill, H.R. 7491, which is entitled "State Taxation of National Banks."

According to the committee report, the purpose of the bill is to provide a uniform rule respecting the applicability of any State tax law to a nationally chartered bank.

Under the bill all nationally chartered banks would be subject to the State tax laws of its State, just as if it were a local State-chartered bank. This would apply only in that one State specified in the banks' organization certificate now required by Federal law, thus eliminating any question of a bank's domicile for State tax purposes.

No change in Federal tax law is made by the bill. Nor does the bill enter the question of multistate taxation of interstate commerce.

The question of jurisdiction and venue was raised during consideration of the bill. This issue could arise if a State attempted to tax a national bank doing business within its borders but domiciled elsewhere. The committee believes existing law—12 U.S.C. 94 and 1880 Supreme Court decision—are controlling and that the venue issue will not arise.

There are no minority views included in the report. Support for the bill comes from the Federal Deposit Insurance Corporation. The Treasury supports the purpose of the bill but did raise a question about the venue problem.

That is the information in the report. Now I would like to offer my own personal comments regarding this particular measure.

As originally introduced, the bill was much more limited in scope. It applied to sales taxes, use taxes, and personal property taxes levied by the State. Only the State in which a national bank's principal office is located could levy such taxes against a national bank and only to the extent that the State taxed its own State-chartered banks. This was in response to the recent Supreme Court decision—*First Agriculture National Bank* v. *State Tax Commission*, 392, U.S. 339, 1968—which held that the States could not tax resident national banks. Somehow within the committee the situation turned around, and a substitute for the original bill was adopted. In my opinion, the thrust of the substitute language appears to subject a national bank to the same taxes that a State-chartered bank is subjected to in each State it is found to be "doing business."

I believe that the Treasury Department now opposes the bill as reported because I think they feel it goes beyond the action which is deemed necessary to obviate results of the recent Supreme Court decision.

Mr. Speaker, under section 5219 of the Revised Statutes—12 U.S.C. 548—at the present time the taxation of banks is as follows:

First. Banks can be taxed only by the State of their domicile, which provides a basis for resistance to demands for income taxation by the States of the domicile of borrowers. Demands of this type are made on both State and National banks.

Second. The section limits the taxation of national banks to a selection of one of the four methods specified in the Statute and does not permit the broadening of the tax base burden on banks by the imposition of gross receipts taxes, value added taxes, taxes on intangibles such as promissory notes, taxes on the encashment of checks and other operational activities, and taxation on rental receipts from real estate and safe deposit boxes.

Third. Nonuniform taxes cannot be imposed. If this provision is removed each county or other taxing body in which a bank branch is located may levy taxes on the bank.

Fourth. Discriminatory tax rates are prohibited.

Now, Mr Speaker, there is not any argument about our national banks being taxed exactly in the same manner as State banks. Everyone agrees that that should be done. But the problem is whether or not the new language in the bill will actually permit additional taxes which are not identical and where the State banks and federally chartered banks will not be taxed the same.

As the gentleman from California (Mr. SISK) stated, no hearings were held. This language was substituted. The rule makes the amended language in order for consideration. The statement was made to us that no hearings were held because no one requested hearings. That may be true. By the same token, however, the language was changed, as I understand it, in executive session, and I do not know that the banks really had time to know whether or not they should be provided the opportunity of hearings or requested them. But be that as it may, it is my understanding that the gentleman from Michigan (Mr. BROWN) is going to offer an amendment to section 5219. The text of the amendment will read as follows:

In addition to the other methods of taxation permitted herein, a State or political subdivision thereof may impose on a national bank having its principal office within such State in the same manner and to the same extent as such taxes are imposed upon a State-chartered bank having its principal office within such State, sales and use taxes, tangible personal property taxes, intangible personal property taxes, a documentary stamp taxes, and license, registration, transfer, excise or other fees or taxes imposed on the ownership, use or transfer of motor vehicles: *Provided, however,* That the taxes im-

posed under the provisions of this Section 5219 shall not effect a greater total tax liability for a national bank than for a State bank similarly situated.

Mr. Speaker, in my opinion, that is what the legislation is attempting to accomplish. I think the amendment is correct. I intend to support it. I have spoken to the distinguished ranking minority member on the committee, the gentleman from New Jersey (Mr. WIDNALL), and he has authorized me to state that he intends to support that amendment.

Mr. Speaker, I urge the adoption of the rule and the adoption of the amendment as well as the passage of the bill, if it is amended.

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

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FOR CONSIDERATION OF H.R. 8261, ACQUISITION OF CONTROL OF AIR CARRIERS

Mr. O'NEILL of Massachusetts. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 474 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 474

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. 8261) to amend the Federal Aviation Act of 1958, as amended, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, 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 Interstate and Foreign Commerce now printed in the bill as an original bill for the purpose of amendment under the five-minute rule. 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.

The SPEAKER. The gentleman from Massachusetts (Mr. O'NEILL) is recognized for 1 hour.

Mr. O'NEILL of Massachusetts. Mr. Speaker, I yield 30 minutes to the gentleman from California (Mr. SMITH) pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 474 provides an open rule with 1 hour of general debate for consideration of H.R. 8261 to amend the Federal Aviation Act of 1958, as amended, and for other purposes. The resolution also provides that it shall be in order to consider the committee substitute as an original bill for the purpose of amendment.

H.R. 8261, as reported, would require CAB's approval of the acquisition of control of an air carrier by any person. At the present time, the Board does not have jurisdiction for such approval, if the person acquiring control of the carrier is not an air carrier, a person controlling an air carrier, some other type of common carrier, or is not engaged in a phase of aeronautics.

Ownership of 10 percent of any class of the capital stock or capital of an air carrier would raise a presumption of control. Annual reports would be required, and the Board would be empowered to require additional reports, as to holdings of 5 percent of any class of the capital stock or capital of an air carrier. The bill also requires that specific notice be given to the Attorney General of the hearings on mergers or acquisitions and he is entitled to demand a hearing on acquisitions which could otherwise be approved without hearing.

No additional cost or personnel increase is contemplated.

Mr. Speaker, I urge the adoption of House Resolution 474 in order that H.R. 8261 may be considered.

Mr. SMITH of California. Mr. Speaker, this to me is a very interesting situation and a very interesting piece of legislation. House Resolution 474 does provide an open rule with 1 hour of debate for the consideration of H.R. 8261, Acquisition of Control of Air Carriers.

According to the report, the purpose of this bill is to require Civil Aeronautics Board approval at the time of the action of the acquisition of control of any person in any air carrier.

The present law gives the CAB such approval authority when the one seeking to acquire control is a person, or who is an air carrier, controls an air carrier, or another type of common carrier, or is engaged in some phase of aeronautics.

This bill thus seeks to have all persons in the same status when an air carrier acquisition is involved.

The bill creates a legal presumption that ownership of 10 percent of any class of capital stock or of the capital of an air carrier, is control of that carrier. In such instances hearings by the CAB are to be held to obtain its approval. The Attorney General must be notified of such hearings.

The committee notes the rising number of conglomerate companies, and believes that the current law does not adequately protect either the public or the air carriers—which must be viewed as a quasi-utility.

Persons or companies which seek to acquire control of an air carrier will not be placed in any disadvantage by the bill. Any other person or carrier in the business must now submit to the CAB hearing in order to obtain approval; this places the same requirements on those outside the business.

There is no additional cost anticipated by passage of the bill.

Support of the bill has come from the CAB, the Bureau of the Budget, and the Department of Justice and the Department of Transportation. The bill is reported unanimously.

The gentleman from California (Mr. Moss) and the gentleman from Massachusetts (Mr. KEITH) have filed additional views supporting the bill, but question whether this solution should not also be applied to other common carriers. They have urged a study in that area.

That is the situation as set forth in the committee report.

Mr. Speaker, once again I would like to offer my personal comments. I do not know of any bill this year that I have had so much pressure to get on the floor of the House than this particular measure. I guess every major air carrier in the United States, or their representatives, have called me and said it is very important that they have this particular bill.

But, and I will say now, after discussing it with a good many people clear up to the White House, I have come to the agreement that if they will take the retroactive date out, which is in section 5 of the bill which makes it retroactive to March 7, I will support this particular legislation.

I do not believe in retroactive legislation. I do not think it is fair. There is not any situation now existing between March 7 and the effective date of this act that needs to be investigated.

There was one situation where an airline got frightened which apparently is the basis for this resolution. But I do want to make it clear for the record that this is particular class legislation.

Incidentally, in connection with the amendment to delete the retroactive language, the distinguished chairman of the Committee on Interstate and Foreign Commerce, the gentleman from West Virginia (Mr. STAGGERS), and the ranking minority member, the gentleman from Illinois (Mr. SPRINGER), have agreed to accept the amendment and I believe the gentleman from West Virginia (Mr. STAGGERS) will offer it.

This bill requires a formal approval after formal hearing by the CAB every time a corporation acquires 10 percent or more of the stock of the air carrier. It does not make any difference whether the acquired shares are voting or nonvoting stock or whether it is purchased for investment only, or whether the airline recommends and encourages the purchase.

There are certain airlines in this country that may have some financial difficulty and may need some help from some outsiders to invest more than 5 or 10 percent in the stock to give the airline some money to carry on or go bankrupt.

If an airline wants to go to some millionaire who might be, and I know and you know that some of them are, in the airline business or to somebody else and say, "We need some help." "Buy stock in our company," and they will say, "Give us the capital so we can continue to operate." You know what they are going to have to do. They are going to have to go to the CAB and have the CAB hold hearings and sometimes the CAB may

function in a year and sometimes they may not function for 2 years. I think they are pretty slow in arriving at decisions.

So once again we are taking a step toward big government in special interest legislation. It does not apply to any other common carrier, such as rails, trucks, buses, barges, or pipelines—but just to airlines.

Apparently there is a fear that some foreigners, some other group might take over one of our airlines and we would not be alert enough to know it. Thus we are going to set up this special procedure.

So far as I am concerned, I would like to state we have a lot of inflation—that is true—and we are trying to do everything to stop it. We realize people under social security, the senior citizens and others are having a difficult time paying their bills.

But if we start attacking conglomerates when they want to come together in corporations and organize and if the Attorney General keeps bringing injunctions and law suits, we are just liable to kill the patient when we are trying to cure the cold. We may end up with a recession and a depression in spite of ourselves.

If we are going to hamstring every business and turn everything over to the Government, we are going to be in serious trouble. I do not believe that big business is bad simply because it is big.

The FTC is investigating and the Committee on the Judiciary is investigating and we have the Committee on Ways and Means, the Banking and Currency Committee and others investigating. All this may be fine and they may come up with appropriate legislation, but I want to make my statement clear right now in connection with the overall problem. If we attempt to control everything from a Federal standpoint, and attempt to put the brakes on too fast, we may end up in giving the patient with a common cold so much medicine in an effort to cure him that we will kill him instead of curing him.

Mr. Speaker, I support the rule and reserve the balance of my time.

Mr. O'NEILL of Massachusetts. Mr. Speaker, I agree with the remarks of the gentleman from California with reference to his remarks as to the amendment concerning the retroactive clause of this bill.

This legislation was passed earlier in the year and there were undesirables who almost seized one of the main airlines.

For this reason, this bill will fully protect not only the Government, but the people in America. I think this is good legislation.

Mr. Speaker, does the gentleman from California have any further requests for time?

Mr. SMITH of California. No, Mr. Speaker.

Mr. O'NEILL of Massachusetts. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

STATE TAXATION OF NATIONAL BANKS

Mr. PATMAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7491) to clarify the liability of national banks for certain taxes.

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

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. 7491, with Mr. ICHORD 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 Texas (Mr. PATMAN) will be recognized for 30 minutes, and the gentleman from New Jersey (Mr. WIDNALL) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Texas.

Mr. PATMAN. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, this is a very simple bill. It is not complicated. There is nothing complicated about it. It is a matter of providing equality of taxation between the State banks and national banks. Our system is a dual banking system. There are twice as many State-chartered banks as there are national banks. But the national banks have about 75 or 80 percent of the money in the entire banking system. We do not want the States to favor either the State banks or the national banks over the others. We want complete tax equality. We do not want anything to happen to our dual banking system.

H.R. 7491 is, therefore, an uncomplicated bill. If enacted, it would do nothing more than provide the 50 States with the tools needed to provide equality in taxation between State-chartered banks and national banks chartered by the Federal Government. It is a bill which, if enacted, would eliminate the now outmoded and inequitable formula that exists for State taxation of national banks, and replaces it with a very simple law of fairness and equity, and complete equality between the two.

The bill provides that national banks shall be subject to the same taxation as a State bank. The bill says nothing more. Under existing Federal law, States may tax national banks on the basis of their outstanding shares, dividends, and net income, according to tax measured by their net income. The Supreme Court in a decision handed down in June 1968, stated that these specific methods of taxation of national banks are exclusive, and therefore banks chartered by the Federal Government are wholly exempt from any taxes which specifically fall into these categories. Therefore, the State banks are required to pay all taxes—sales taxes, use taxes, and everything else—but the national banks now, under this ruling of the Supreme Court, do not have to pay any of those taxes at all because they were not specified in a law written way back there 50 to 100 years ago.

This is for the purpose of seeing that they shall pay exactly the same State taxes under similar and like circumstances. There could not be anything fairer than that, according to my view.

Therefore, for example, the national banks do not pay State taxes on their motor vehicles, and the difference today is that although the national banks have about 75 percent of the assets in the banking business throughout the country, they do not pay even motor vehicle taxes, and the difference in the cost to the States is about $50 million that we can figure up right now, that it is costing the States right now because of their failure to be able to impose the same taxes on national banks that are imposed on State banks.

The legislation before the Committee, as introduced, would have extended the right of the States to tax national banks for the following specific types of taxes: First, sales tax; second, use tax; and, third, personal property tax.

During the deliberations on H.R. 7491 as originally introduced, it was decided by your committee on an overwhelming vote that it would be better to not specify any particular tax which States might levy against national banks, but rather, it would be more equitable to allow States to tax national banks to the same degree that they tax banks chartered under the laws of the State. In other words, in order to assist in providing full and fair competition, it was deemed by your committee that the only way to assure this in this instance would be to allow the States the right to provide for equal taxation between State-chartered and federally chartered banking institutions.

Members should be aware of the fact that this proposed legislation treats a national bank exactly like a State bank chartered in that same State. In other words, if the question were asked to what extent can the State of Texas tax the First National City Bank of Oklahoma City doing business with a firm in Texas, the answer is that it could tax the national bank from Oklahoma to the same degree that it would tax an Oklahoma State-chartered bank doing business in Texas.

It has been brought to my attention that some banks are arguing that this legislation, if enacted, would create a situation whereby nationally chartered banks would be forced to pay double taxation. There is nothing within this legislation to permit this occurrence. This legislation neither directs the States to impose or not to impose taxes on national banks. It merely says—and I reiterate—that the States will have a right to impose the same types of taxes on national banks and to the same degree that they impose on State-chartered banks. In other words, whatever taxes are imposed upon State banks within the State border and doing business in that State will apply to a national bank which has its principal office in that

State. In addition, if a national bank domiciled in State A had a loan production office in State B, State B could tax that loan production office to the same extent that its laws provided for taxation of a loan production office operated in State B by a State-chartered bank from State A.

The question of venue for suit also was before the committee. It was decided by your committee that this question went beyond the question of tax equality between State and nationally chartered banks and, therefore, the committee did not consider this matter. There is no question that national banks, as well as State banks, have the same identical problems concerning venue for suit. Therefore, in this regard, even though the problems exist, equality in this matter also exists.

There has been some unfair criticism levied against the committee for the way in which this bill was handled. The criticism has been made that no hearings on the legislation were held. It is true that no public witnesses testified before the committee, but this was not due to any fault on the part of the committee. All affected agencies of the Government did submit statements or letters on the legislation and all of the bank trade associations, including the American Bankers Association, Independent Bankers Association, and National Association of Supervisors of State Banks, were contacted and asked if they desired to testify. None of these organizations wanted to formally testify; however, statements from them are included in the printed testimony received in consideration of this legislation. The committee, in my opinion, Mr. Chairman, cannot be faulted if these groups did not care to make public presentations to the committee.

It has also been argued that the Treasury Department, which, of course, has control over the Comptroller of the Currency—the bureau within the Treasury Department that grants charters to national banks—opposes the bill as reported. I would state, Mr. Chairman, that the letter received from the Treasury Department on this legislation, which you will find on page 2 of the printed testimony and pages 6 and 7 in the committee report states:

> If the Congress believes that it is desirable to add other taxes (in addition to sales and use taxes), the language could be changed accordingly.

This is precisely what the committee did. Our action was to subject national banks, if the States so desire, to all forms of taxes to which the States subject their own State-chartered banks.

Mr. Chairman, this is a reasonable, fair, and equitable bill. It provides for equality of taxation between State-chartered and nationally chartered banks. I have said—and in this I do not mean to be facetious—that it is a States rights bill. Up until now, Federal law discriminated against the States in this case because they could not treat in the most vital area of taxation State-chartered and federally chartered banks equally. This legislation would provide the States with this opportunity. I most heartily, Mr. Chairman, recommend its adoption.

But after considering that, the committee said, "Why just specify those three types of taxes?" That is where we got into trouble before. When we amend the law, we should amend the law looking to the future and not trying to specify specific taxes. Our bill states that all banks, National and State, should be treated equally by the State legislatures. Nothing could be simpler than that. Therefore, it was decided by the committee that our language as amended would include everything and we would not have to use what is commonly known now as a "laundry list."

If the State banks pay a certain tax, then the national banks under the same and similar circumstances should be compelled to pay the same. That is all we are asking for. We do not want to have the legislatures in a position where they can favor the national banks.

I certainly ask Members of the House to give serious consideration to this, so we will have perfect equality between the two banking systems. We do not want either one to be hurt, either the State banks or the national banks to be hurt, but we want complete equality between the two. That is all this bill is asking.

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

Mr. WIDNALL. Mr. Chairman, I will not take any time at the present time to discuss the bill itself. The chairman has presented the main facets of the bill. I will support the bill, but amended I hope by the Brown of Michigan amendment that will be offered. I will speak at length to that at that time.

Mr. Chairman, at this time I yield 7 minutes to the gentleman from Michigan (Mr. BROWN).

Mr. BROWN of Michigan. Mr. Chairman, H.R. 7491 as reported by the Banking and Currency Committee would inject more confusion into an already confused situation regarding the collection of taxes by States and municipalities from national banks. The basic problem with H.R. 7491, which was approved by the committee after 2 hours of executive session and without the benefit of hearings or witnesses, is that it uses a broad-gage shotgun approach to remedy a specific problem.

There is general agreement among bankers and State and Federal taxing authorities that an amendment to the present law is needed to equalize the State and local tax burden on State-chartered and national banks. This need, which has existed for a long time, was highlighted within recent months by two U.S. Supreme Court decisions. In the case of *First Agricultural National Bank of Berkshire County* v. *State Tax Commission*, 392 U.S.C. 339, the Court held that a national bank domiciled in Massachusetts did not have to pay Massachusetts sales and use taxes since this tax was not included in the methods States could tax national banks listed in section 5219. The Dickinson case was a similar holding involving Florida documentary stamp taxes. Both of these cases involved attempts by a State to collect taxes from national banks domiciled within its borders which State-chartered banks similarly situated were required to pay. There is general agreement that this result was inequitable and that national banks should be subject to the same taxes in their home States and localities as are their competitors.

It was to correct this obvious inequity that a series of bills was introduced in this session. H.R. 7491 as originally introduced by Chairman PATMAN, H.R. 3826 by the gentleman from New York (Mr. PODELL), H.R. 2182 by the gentleman from California (Mr. HOSMER), H.R. 9794 by the gentleman from Florida (Mr. SIKES) for himself and on behalf of Reprsentatives BENNETT, HALEY, CRAMER, FASCELL, ROGERS of Florida, PEPPER, FUQUA, GIBBONS, BURKE of Florida, CHAPPELL, and FREY, taken together, list all of the State and local taxes which national banks have been escaping. The amendment I propose will provide for the collection by the home State of all of the taxes listed in the aforementioned bills. H.R. 7491 as reported would do the same, but its broad-gage language would also have far reaching and unknown effects in the field of interstate taxation.

The Judiciary Committee has agonized over the whole problem of interstate taxation for the past 10 years. As of this date, no comprehensive legislation has been enacted to remedy this problem and I believe it would be unwise for the House of Representatives to attempt to dispose summarily of this complex problem as it relates to banks, without even the benefit of a public hearing.

H.R. 7491 as reported, repeals entirely section 5219 of the Revised Statutes which was originally enacted in 1864 and was last amended in 1926. This section spells out in detail the methods of State taxation of national banks and has stood the test of time. Now because of a relatively minor problem relating to a few forms of taxation which were unknown at the time of the last revision, the committee has seen fit to scrap this detailed statute without adequate consideration of the implications of such action. Many States have enacted over the years various taxes affecting State-chartered and national banks in reliance on the existing provisions of section 5219. There is no necessity for repealing the entire statute in order to bring up to date the list of State and local taxes contained therein.

The amendment which I will offer authorizes the States to tax national banks in all those areas where there may have been some doubt about their ability to do so. This includes sales and use taxes, tangible personal property taxes, intangible personal property taxes, documentary stamp taxes, license registration, and all the taxes applicable to motor vehicles.

As I have indicated, the adoption of my amendment will take care of all the problems that are known to date.

It certainly is not an attempt in any way to favor national banks but, rather, is an attempt to make sure that they

are treated equitably, without getting into the whole problem of interstate taxation. No one in this Chamber can assure me we will not create more problems than we resolve by the approach the committee amendment undertakes.

I think it is also interesting to note that the chairman of the committee indicated he does not like the "laundry list" of taxes. I remind all of those familiar with the one bank holding company legislation that it was the laundry-list approach which the chairman supported.

Mr. DEL CLAWSON. Mr. Chairman, will the gentleman yield?

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

Mr. DEL CLAWSON. The gentleman is certainly taking the proper approach in order to correct the problems if the proposal of the committee is adopted. I wish to commend him and indicate that I will support his amendment. This, however, will not remove all of the problems facing some of the States. Is it possible, I ask the gentleman, that it may be necessary for State legislatures, in order to remove some of these inequities, to enact legislation?

Mr. BROWN of Michigan. Yes. There are many areas, as the gentleman knows, where there may be a need for State legislation because of the enactment of this legislation. I think we ought to deal with the problem areas as they have been identified to us and not go far beyond them and possibly create more problems.

Mr. DEL CLAWSON. The gentleman is correct. I am happy to support his amendment and will be pleased to be here when he offers it.

Mr. PATMAN. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio (Mr. ASHLEY).

Mr. ASHLEY. Mr. Chairman, I will not take my full time, but I rise in support of the measure before us.

It is with some reluctance that I must say I am constrained to oppose the amendment offered by the gentleman from Michigan (Mr. BROWN).

I would like to take just a moment, Mr. Chairman, to establish the record in one or two respects.

First of all, the amendment that the Committee on Banking and Currency has reported is substantially the same as the text of H.R. 8642, which I introduced on March 11. My bill was before the committee when invitations to testify on this subject were issued. We must be very clear about it. Invitations were issued. If there is any complaint from Members on the other side of the aisle that hearings were not held, they should at least acknowledge that invitations were issued and there were no requests to be heard.

Mr. BROWN of Michigan. Will the gentleman yield?

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

Mr. BROWN of Michigan. I thank the gentleman for yielding.

The gentleman will remember that the bill before the committee, H.R. 7491, and discussed by the committee, included in its provisions only those provisions relative to sales taxes, use taxes, and personal property taxes.

Mr. ASHLEY. The gentleman is entirely mistaken on that. The bill that I introduced and which was the first bill that was introduced on it was not so limited. The gentleman is mistaken.

Mr. BROWN of Michigan. Will the gentleman yield further?

Mr. ASHLEY. I will in just one moment. I want to say that my bill was before the committee for two and a half months when the executive session was called on this and similar bills.

Mr. Chairman, more than 2 weeks elapsed between the executive session at which this bill was ordered reported and the filing of the report. There was certainly ample time for the gentleman from Michigan and anyone else on the committee to file dissenting views or views such as the gentleman indicated this afternoon. No such views were filed or expressed. It is quite clear that those who might have had objections to the bill reported, did have an ample opportunity so to express themselves both before and after the committee acted on it. They did not do so, and this should be made a part of the RECORD.

Mr. Chairman, the bill before us today is an eminently reasonable one. It would remove the privileged status presently enjoyed by national banks in their immunity from certain forms of State taxation for which State-chartered banks are liable. The bill would close the loophole in the National Bank Act favoring national banks and thus foster competitive equality between National and State banks within our dual system.

When the National Bank Act was enacted in 1864, it deliberately discriminated against State banks and in favor of national banks in two ways. First, it limited the kinds of taxes that States could levy on a national bank and, second, it limited taxation of national banks to the State in which the bank's principal office was located.

This policy made sense against the 19th-century background of "wildcat" State banking and the performance by national banks of currency and public debt functions. However, times have changed. State banks are now responsible institutions and the currency and public debt functions of national banks have long since been taken over by governmental agencies.

National banks now perform essentially the same functions as State banks. Like their State-chartered counterparts, national banks are privately owned, privately managed, and operated for private profit. Not only do national banks perform no significant Federal Government function not performed equally by State-chartered banks, but they also receive a myriad of State and local services.

As national banks perform no peculiar functions not served by State banks, there can be no justification for continuing this invidious discrimination. It is unfair to the State banks, it is unfair to the States, and it is a threat to our dual system of banking.

The present system gives national banks, with their many operations outside the State where their principal office is located, a significant competitive advantage. Not being subject to many State taxes nor to interstate and foreign State taxation, they can, very simply, make more money than State banks. This money is made at the expense of the States. It has been conservatively estimated that the privileged status of national banks costs the State $50 million in revenue annually.

Morever, if we continue this system, we may see an end to our dual banking system. As Frank Willie, New York State superintendent of banks, pointed out recently, unless Congress removes this inequity, there may be "an increased number of conversions by commercial banks from State to national charter," to take advantage of the privileged tax situation. This would leave the States with even less revenue in this time of great State need.

The committee adopted this approach rather than that of merely adding a laundry list of taxes that States could impose on national banks because the laundry list would not impose a lasting solution. The laundry list would not even solve the present problem, because national banks would still be exempted from interstate and foreign state taxation while State-chartered banks would not be. Second, as soon as any State instituted a different form of tax, the exact same problem of discrimination would be thrust back into our laps.

Mr. Chairman, the problem is clear and so is the solution. In short, we have an invidious tax discrimination between State and National banks—indivious because it has no rational grounding in terms of differentiation of function. Since that is the case, the only fair and lasting permanent solution lies in putting National and State banks on equal footing. This is what the bill before us does and for this reason it should be enacted.

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

Mr. ASHLEY. Yes, I yield to the gentleman from Michigan.

Mr. BROWN of Michigan. I did not intend to suggest that your bill limited itself to those areas. I am saying the bill that was before the committee, H.R. 7491, as introduced originally by the gentleman from Texas (Mr. PATMAN), did not cover the total area as your bill did, by saying they would be immune. The bill before the committee on September 3 or the bills before the committee, including the first one which was introduced by the gentleman from New York (Mr. PODELL), limited themselves to sales and use taxes which I have included in my amendment. Yours is the only bill that did not.

Mr. ASHLEY. I think the record will speak for itself. However, I believe I understand the purpose of the gentleman's amendment but that discussion can be delayed and I shall address myself to that at the appropriate time.

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

Mr. PATMAN. Mr. Chairman, I yield 4 minutes to the gentleman from New York (Mr. PODELL).

Mr. PODELL. Mr. Chairman, I would like to congratulate the chairman of the House Committee on Banking and Currency upon considering this long overdue legislation. I was involved in a similar type of legislation some 2 years ago where I myself dealt with the question of taxation of national banks on sales and use taxes and held hearings in the State of New York. I invited the American Banking Association to come in and testify but they refused to do so.

Mr. Chairman, the problem with which we are now confronted is a very simple story. For instance, my daughter is 9 years old. If she buys something in the five and dime store for 20 cents, she pays a sales tax. Yet when banks purchase desks and refurbish their offices, they pay no sales tax.

Mr. Chairman, a recent Supreme Court decision restated the concept that national banks were immune to State sales and use taxes, recommending a change in the law. The Court delved most fruitfully into constantly growing pressures on State and local sources of revenue. The problem was very simple. When the original law was passed permitting the taxation of Federal national banks, sales taxes were not in existence. Now, State and local budgets are badly out of balance and sales tax revenues are not only badly needed, but represent a major source of State income.

One of the problems involved with the amendment which is to be offered by the gentleman from Michigan (Mr. BROWN) is the fact that he sets forth those taxes and does not say that certain other taxes may come into being later on when we would have to come back to the Congress and ask for further relief.

Mr. Chairman, when considering this bill we must keep in mind the state of America when the original law was enacted. The relationship between national banks and the Government was markedly different from today. These are days of sales taxes, undreamed of in the era of Nicholas Biddle and Attorney General Taney.

The present levels of such taxes in New York City and New York State amply support my contention. Today, sales tax for every shopper in New York City is 6 percent. That is one reason why we must reevaluate our traditional stand on State sales and use taxes as they affect national banks.

Mr. Chairman, I sent a letter to every State in the Union asking that State to advise me as to whether or not it had suffered a loss as a result of the immunity of the national banks as of today. I received communications from 33 of those States, some of whom were not familiar with the exact amount of revenue it was losing but of the 33 States which responded to that letter they reflected that they were losing approximately $25,303,000, including over $1 million from the State of the gentleman from Michigan (Mr. BROWN). The total projected figure for the entire Nation of revenues lost by the States of our country today as a result of its failure to tax national banks is close to $50 million.

Mr. Chairman, banks are not privileged members of our business community as witness the recent actions in raising the prime interest rate which is an illustration of a rampant privilege. The question is fundamental with reference to intergovernmental immunities, tracing its origins back to the formative years of the Republic. In 1819 Chief Justice Marshall, in McCulloch against Maryland, held invalid a State law levying a tax on currency issued by the Second Bank of the United States. Every law student remembers the famous concept therein enunciated "that power to tax is also power to destroy." Accordingly, we have this bill now pending before us.

Mr. Chairman, the purpose of the amendment as will be introduced by the gentleman from Michigan (Mr. BROWN)—and I intend to address myself at length to the language of that amendment—is that it still gives national banks a privileged status, and this is one thing we cannot do.

The CHAIRMAN. The time of the gentleman has expired.

Mr. PATMAN. Mr. Chairman, I yield 1 additional minute to the gentleman from New York.

Mr. PODELL. Mr. Chairman, I thank the gentleman for the additional time.

Mr. Chairman, we do not want to afford to national banks the status of privilege. Let me cite a brief example:

We in the State of New York lost 47 employees who are bank examiners merely because every single State-chartered bank in the State of New York is now applying for a Federal charter to get the benefit of privileges extended to national banks. We have lost some $400,000 in State licensing revenues alone, which are not referred to in the laundry list submitted by the gentleman from Michigan.

I submit, Mr. Chairman, that the present bill as introduced by the chairman of the Committee on Banking and Currency is an excellent bill, and one that should pass in its present form.

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

Mr. PATMAN. Mr. Chairman, I yield 2 additional minutes to the gentleman from New York.

Mr. PODELL. Mr. Chairman, I thank the chairman again for the additional time.

Mr. Chairman, I would like to cite a second example as to why I believe the amendment proposed by the gentleman from Michigan is not only wrong but will destroy the fundamental concept of the committee bill. The amendment provides us with a list of taxes that States may now levy upon national banks. I would ask the gentleman from Michigan what if there should be new laws or new State taxes introduced over the years that are not now familiar to us—and as time goes on we can be assured these will enlarge and expand in scope—and then once again we will have to come back to the Congress for legislation that would permit States to tax national banks accordingly? The concept of privilege for national banks must not be continued. I believe that both State banks and National banks should be treated alike.

Mr. Chairman, I would like to make one last point on this amendment. The amendment proposed by the gentleman from Michigan provides that banks may only be taxed on their principal place of business. This creates a very serious question. If I was the chairman of a national bank I would establish my principal place of business in a State where the sales tax is 2 percent, and then open branch offices in those States where the sales tax is 6 percent, and thus be subject only to a 2-percent sales tax.

So, Mr. Chairman, for those reasons I believe that we should pass the bill as introduced by the chairman of the Committee on Banking and Currency. I believe that the amendment proposed to be offered by the gentleman from Michigan, certainly in good faith, does not really do the job that is required.

I have included herewith a list of jurisdictions which I have received communications from:

STATE ESTIMATES OF AMOUNT LOST ANNUALLY

Alabama: $250,000 to $300,000.
Alaska: No sales or use tax.
Arizona: No response.
Arkansas: No loss.
California: $2,000,000.
Colorado: No response.
Connecticut: No loss.
Delaware: No response.
Florida: $2,000,000 to $3,000,000.
Georgia: $2,047,000.
Hawaii: Only has two national banks.
Idaho: $250,000 to $500,000.
Indiana: No response.
Illinois: No estimate.
Iowa: No information.
Kansas: No loss.
Kentucky: $65,000.
Louisiana: No response.
Maine: $50,000.
Maryland: $1,000,000.
Massachusetts: $250,000.
Michigan: $1,000,000.
Minnesota: No information available.
Mississippi: No response.
Missouri: No loss.
Montana: No response.
Nebraska: 375,000.
Nevada: No response.
New Hampshire: No response.
New Jersey: No response.
New Mexico: No response.
New York (N.Y.C. $3.5 million included): $5,000,000.
North Carolina: $185,000.
North Dakota: No response.
Ohio: No response.
Oklahoma: $250,000.
Oregon: No response.
Pennsylvania: $5,000,000.
Rhode Island: $125,000.
South Carolina: No response.
South Dakota: No response.
Tennessee: $1,500,000.
Texas: No information.
Utah: $106,000.
Vermont: No response.
Virginia: $1,500,000.
Washington State: $900,000.
West Virginia: $150,000.
Wisconsin: No response.
Wyoming: No estimate.
Total estimated: $25,303,000.

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

Mr. Chairman, the amendment proposed by the gentleman from Michigan (Mr. BROWN) will give a greater privilege

to national banks over State banks. The national banks now have twice as much business and assets as do the State banks.

Let me give an illustration: Let us take a national bank in New York—and there are lots of them—operating in 49 other States. Now, there is a State bank in New York operating in 49 other States. Now, what will the situation be in regard to this language?

The State banks operating in 49 States will have to pay in New York, and also the 49 States, but the national banks will not because they have their principal place of business only in one State.

Now, this amendment applies only in the national banks in the State in which they have their principal place of business.

It is just as plain as the nose on your face. The Brown amendment is discriminatory. That is what we are trying to get away from now, the discrimination caused by the Supreme Court, when the Supreme Court correctly ruled, I will admit, that they could not require a national bank to pay sales taxes and use taxes because when the law was written back 50 or 100 years ago, taxes like that were not even contemplated and never even dreamed of.

Therefore, we have to amend the law and if we put a whole laundry list in here as the gentleman from Michigan (Mr. BROWN) tried to do, there is no assurance that that includes all the taxes that are now imposed.

The gentleman just took them from the bills that were introduced by Members of the House dealing with this legislation and every tax that was mentioned, the gentleman from Michigan (Mr. BROWN) picked it out and put it in his bill.

That is the question—and that is all right provided he has checked all the other taxes and made sure that these include all the taxes that are now imposed. But the gentleman said he just picked them out of the bills that were already introduced and made no statement as to the fact that they are all of the taxes, and I am sure they are not.

How can we legislate that way? We will get into worse trouble than we are in now.

The amendment of the gentleman from Michigan (Mr. BROWN) basically was considered before the committee and we discussed it for a long time on both sides and we had a record vote on it. That vote resulted in 3 votes for Mr. BROWN's amendment and 18 votes against it I believe. That was a pretty decisive vote. That was in the committee where there was a full and free discussion given to it.

I hope the gentleman will be agreeable to that and not create a situation here that is even worse than what we have now. Do not make this House of Representatives go on record as favoring the big banks and in favor of doing something against the little banks.

We do not want to do that. We want equality. We want the national banks and the State banks to be taxed under similar and like circumstances in exactly the same way and not favoring either one or discriminating against either one. We want them to be treated exactly the same. That is what the bill we have proposes to do.

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

Mr. PATMAN. I yield to the gentleman.

Mr. BROWN of Michigan. I would like to remind the gentleman that the vote on the amendment I offered in the committee was not as he indicated. The vote that he recited was on reporting the bill out of committee. It was not as the gentleman indicated it to be on my amendment.

Mr. PATMAN. The vote on the gentleman's amendment was 16 to 6. I made a mistake when I said it was 18 to 3.

Mr. BROWN of Michigan. If the gentleman read his own report on the bill, he is well aware of the fact that the report says we are not attempting, because we do not feel we can, deal with all of the ramifications and problems of multi-State taxation. That is the very thing I am trying to do by my amendment. I deal only in the limited areas where we know what we are doing rather than attempt to do something about which we do not know the total ramifications.

If I may go on just a little further, the gentleman made the point that we were favoring somebody—that is not my intent at all. I am in favor of the equality of taxation, but I think we have to recognize that measures have been taken by the States, counterbalancing measures, and we are not totally aware of their full impact.

I do not think anyone on your side has said to me that he knows all of the ramifications of the language that you are proposing the House should accept. But I can explain at least what my amendment does.

Mr. PATMAN. That is why I am not proposing a laundry list—but to make laws so we will know. You have no assurance of that and I know you do not have, that we would be in worse shape now than we have been in the past.

Mr. BROWN of Michigan. Does the gentleman know any tax or any method of taxation that is not included in my so-called laundry list and would not be covered by section 5219 as amended?

Mr. PATMAN. It would take a lot of research and take a lot of time to find out. But the gentleman did not take that time and he admits he did not.

He just took things out of bills that have been filed in the House since January. He took something out of each bill and put in the name of some tax, and that is all he claims. But even though the amendments were offered in that way, that is no assurance that we have covered all taxes. They do not even give us that assurance. It requires months of research to get that information. The best way to do it is to provide exact equality under any circumstance or condition, and then we will have no fears, because one cannot be discriminated against as compared to others.

Any time we get one provision in a bill favoring one group, we will be branded as being for the big banks and against the little banks. We will be criticized for favoring the large banks and against the small banks of the country. There will be no way to get out of it under the terms of your amendment.

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

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

Mr. BROWN of Michigan. I would much prefer to be branded, possibly demagogically, as being in favor of these things which are not true—and the gentleman knows they are not true—than to do something in ignorance. I will assure the gentleman I have probably spent as much time on research of this question as he has, if not more. I did not take the laundry list, as you have called it. I did not pick out specific taxes.

Mr. PATMAN. In the letter the gentleman sent around to the Members you said——

Mr. BROWN of Michigan. I thought the gentleman had yielded.

Mr. PATMAN. I must correct that statement. This is over your signature.

Mr. BROWN of Michigan. That is correct. Read it.

Mr. PATMAN. It says:

> The amendment I propose will provide for the collection by the home state of all of the taxes listed in the aforementioned bills.

And the bills listed are bills introduced by Mr. PODELL, Mr. PATMAN, Mr. SIKES, for himself and on behalf of Representatives BENNETT, HALEY, CRAMER, FASCELL, ROGERS of Florida, PEPPER, FUQUA, GIBBONS, BURKE of Florida, CHAPPELL, and FREY.

You admit that yourself. You took it from these bills. But that does not include all taxes. You cannot make that statement.

Mr. BROWN of Michigan. I would suggest to the gentleman that because the amendment incorporates those taxes it does not mean that we have covered only the taxes mentioned. Rather, all the subjects and methods of taxation about which Congress has suggested there is need for remedial legislation have been included in my amendment. The amendment does not come just from a picking and choosing from other bills with respect to this field.

Mr. PATMAN. I do not want to take too much time. The gentleman from New Jersey (Mr. WIDNALL) has indicated that he has no further requests for time. I am anxious to end the debate. If the gentleman feels strongly about his amendment, the measure before the Committee does not foreclose his efforts. He can introduce a new bill, and I will guarantee now that we will give him a full hearing. He can make a showing before the Committee, and if a majority of the members of the Committee vote for it, we will bring it out here for a vote. That is fair enough, is it not? Do not bring it in here at the last minute. The gentleman knows the consequences of an effort to insert a few little words in an amendment at the last moment.

Mr. BROWN of Michigan. Mr. Chairman, will the gentleman yield further?

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

Mr. BROWN of Michigan. I do not think the gentleman is suggesting that

this is a new subject of discussion, that I am surprising anyone with this amendment.

Mr. PATMAN. Yes; you are.

Mr. BROWN of Michigan. This subject was discussed in committee on a limited scale. We were talking about sales and use taxes. There was a discussion about Treasury letters and adding other taxes to the measure if there were other problems in other areas. The discussion we are now having is a better discussion of the bill than we ever had in the committee, and the gentleman knows it.

Mr. PATMAN. Oh, no. We discussed your amendment half the time and voted it down.

Mr. CLEVELAND. Mr. Chairman, in the votes today, if any, on H.R. 7491, the bill regarding State taxation of national banks, I intend to vote present. I am an officer, director, and a substantial stockholder in the New London Trust Co., New London, N.H., a State-chartered bank. Some correspondence which I have received and general comment which I have read has guided me toward this decision.

There is a good deal of loose talk and loose thinking regarding the general area of conflict of interest, however. In my opinion the Select Committee on Standards and Conduct should hold hearings and establish some positive guidelines. Such guidelines could be of positive benefit to Members and the public.

The CHAIRMAN. Does the gentleman from Texas yield back the balance of his time?

Mr. PATMAN. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. There being no further requests for time, the Clerk will read.

The Clerk read as follows:

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

SECTION 1. A national bank has no immunity from any sales tax, use tax, or personal property tax which it would be required to pay if it were a bank chartered under the laws of the State or other jurisdiction within which its principal office is located.

COMMITTEE AMENDMENT

The CHAIRMAN. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: Strike out all after the enacting clause and insert in lieu thereof the following:

"§ 1. Amendment of section 5219 of the Revised Statutes

"(a) Section 5219 of the Revised Statutes (12 U.S.C. 548) is amended to read:

"'SEC. 5219. For the purposes of any tax law enacted under authority of the United States or any State, a national bank shall be deemed to be a bank organized and existing under the laws of the State or other jurisdiction within which its principal office is located.'

"(b) The amendment made by subsection (a) becomes effective on the first day of the first calendar year which begins after the date of enactment."

AMENDMENT OFFERED BY MR. BROWN OF MICHIGAN TO THE COMMITTEE AMENDMENT

Mr. BROWN of Michigan. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. BROWN of Michigan to the committee amendment: Strike all of the Committee amendment and insert in lieu thereof the following as a substitute:

"SECTION 1. AMENDMENT OF SECTION 5219 OF THE REVISED STATUTES.

"(a) Section 5219 of the Revised Statutes (12 U.S.C. 548) is amended by adding at the end thereof a subparagraph 5 to read as follows:

"'5. In addition to the other methods of taxation permitted herein, a State (including the Commonwealth of Puerto Rico) or political subdivision thereof may impose on a National bank having its principal office within such State in the same manner and to the same extent as such taxes are imposed upon a State chartered bank having its principal office within such state, sales and use taxes, tangible personal property taxes, intangible personal property taxes, documentary stamp taxes, and license, registration, transfer, excise or other fees or taxes imposed on the ownership, use or transfer of motor vehicles: Provided, however, that the taxes imposed under the provisions of this Section 5219 shall not effect a greater total tax liability for a National bank than for a State bank similarly situated.'

"(b) The amendment made by subsection (a) becomes effective on the first day of the first calendar year which begins after the date of enactment."

Mr. DEL CLAWSON. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count.

Fifty Members are present, not a quorum. The Clerk will call the roll.

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

[Roll No. 108]

Abbitt	Dwyer	Nix
Addabbo	Eckhardt	O'Hara
Ashbrook	Edmondson	Ottinger
Aspinall	Edwards, Ala.	Pollock
Berry	Esch	Powell
Betts	Foley	Purcell
Boggs	Fraser	Ronan
Brasco	Frelinghuysen	Schadeberg
Brooks	Gallagher	Scheuer
Brown, Calif.	Gilbert	Shipley
Brown, Ohio	Halpern	Slack
Burton, Utah	Hansen, Wash.	Smith, Calif.
Button	Harsha	Smith, N.Y.
Cahill	Hawkins	Stafford
Carey	Hébert	Steed
Celler	Howard	Talcott
Clancy	Hungate	Teague, Tex.
Clark	Jacobs	Thompson, N.J.
Clausen, Don H.	Joelson	Tiernan
	Jones, N.C.	Tunney
Cohelan	Kirwan	Watkins
Conte	Latta	Watson
Daniels, N.J.	Lipscomb	Wilson, Bob
Davis, Ga.	McEwen	Wilson, Charles H.
Dawson	May	
Delaney	Mayne	Wolff
Devine	Miller, Calif.	Wright
Diggs	Moorhead	Young

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. ICHORD, 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. 7491, and finding itself without a quorum, he had directed the roll to be called, when 350 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. Before the Committee rose, the Chair had recognized the gentleman from Michigan (Mr. BROWN) for 5 minutes to speak on his amendment. The Chair now recognizes the gentleman from Michigan.

Mr. BROWN of Michigan. I thank the Chairman.

Mr. Chairman, I think it is well to again ask ourselves why we are here today on this bill. The reason that we are discussing the State taxation of national banks is because the U.S. Supreme Court, within the last 2 years, ruled in two different cases that States cannot assess and collect sales and use taxes in one case and documentary stamp taxes in other cases from national banks, although they can do so with respect to State banks. But this was because section 5219 of the Revised Statutes is treated as the sole basis for the taxation of national banks.

I do not think there is anyone here—including the chairman of the Banking and Currency Committee, thinks that I want to favor national banks over State banks, or big banks over small banks—but we want to get tax equity within the area in which we know there is inequity without creating a lot of problems that could exist if we should attempt to take a broadbrush approach and cover everything that is involved in interstate taxation, multiple taxation, and dual taxation because of activities by a bank in a State in which the bank is not domiciled.

The committee bill eliminates all of the present language of section 5219. This is language which has been on the books over 100 years and which has not been revised since 1926, and it has worked reasonably well until the two Supreme Court decisions I mentioned.

My bill by including sales and use taxes, documentary stamp taxes, motor vehicle taxes, personal property taxes, both tangible and intangible, would give States permission to levy these taxes. These, once again, are the only areas in which we know there are problems regarding the ability of States to tax national banks.

My bill takes care of these known problems. It leaves the statute otherwise as it is.

What does the committee bill do? It attempts with a broad brush to cover everything by saying the national banks shall be treated as State banks domiciled in that State. This brings in the whole problem of multistate taxation. The question of taxation of loans by out-of-State institutions is a thorny one. It involves a long history of several hundred decisions by the Supreme Court. The American Bar Association has promulgated a uniform act, but so far only one State, Alaska, has adopted it.

The whole field of taxation of interstate commerce is a difficult one. How far must States be required to refrain from taxing interstate commerce in order to achieve the benefits intended by the Constitution of providing a nationwide market? These and other questions have occupied much time and attention of the Judiciary Committee of this House for the past 10 years in fields other than

banking. In an interstate taxation bill we passed recently in this House for the second time, we specifically exempted banking legislation because of this very troublesome area.

I frankly do not know the answers to the problems of multistate taxation and of taxing interstate commerce and of taxing interstate activities of banks. I do not think there is a member of this committee who can tell me what problems the bill creates, or the problems that are resolved by it. I am satisfied they cannot. Rather, if we are to deal in multistate and interstate taxation problems, then I think the Banking and Currency Committee ought to hold some hearings, which we did not do on the bill before the Members. I think we ought to bring in some experts who can tell us what States are doing in this area and what counterbalancing methods States have adopted in order to resolve the problems between the national and the State banks. I do not think this House is in a position today to act upon a bill, as comprehensive as the one before us if we adopt the committee language.

I ask Members to keep the language of the law we have known and which has worked reasonably well over the years, and adopt my amendment, which will bring in those areas of taxation where any problem has been suggested.

Then, if any further action is needed with respect to multistate and interstate areas, let us give proper consideration to that problem and correct inequities, if there are any that need to be corrected.

Mr. REUSS. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Michigan (Mr. BROWN).

Mr. Chairman, I hope the Committee will decisively reject the amendment offered by the gentleman from Michigan (Mr. BROWN). The committee bill is simplicity itself and says simply this, that a State shall have the same power to tax a national bank as a State bank, even Steven, not one penny more, but not one penny less.

The Brown of Michigan amendment sets forth a number of specific taxes which a State may levy against a national bank on the same basis as it may levy against a State bank. Listed in the Brown of Michigan amendment are documentary taxes, intangible property taxes, sales taxes and a couple of others.

I have no quarrel with listing those, but the trouble is that this leaves out dozens and dozens of important taxes the States find necessary to levy, such as excise taxes, value-added taxes, real property taxes.

Under the Brown of Michigan amendment, for example, a New York bank may set up a loan production office in the State of Michigan, and may build a veritable Acropolis in which to house it, costing millions of dollars, yet the poor State of Michigan would be unable to impose a local property tax on that bank.

The States as well as the United States desperately need revenues. We should not cut them off.

Equally, we have a dual banking system, a system in which the State bank is considered to be every bit as good as, but no better than, a national bank. National banks should not be made first-class citizens and State banks made second-class citizens.

It is interesting that the commissioner of banking of the State of the gentleman from Michigan, Robert P. Briggs, the Michigan commissioner of banking, has wired the committee, and it is of record, that Michigan heartily approves the committee bill, and by implication does not want an on again off again, halfway approach to fair State taxation of national banks which is envisaged by the proposal of the gentleman from Michigan.

I would remind the Members that this amendment was offered in committee, that it was overwhelmingly turned down by something like 16 to 6.

I would hope that in the interest of equal treatment, no more and no less, for State and national banks, we would preserve the committee proposal and vote down the Brown of Michigan amendment.

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

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

Mr. BROWN of Michigan. I thank the gentleman for yielding.

I do not believe the gentleman would want to leave in the RECORD of the House the suggestion that real estate of a national bank in any State is not taxed. By keeping in all of the provisions of section 5219 of the Revised Statutes real estate would be taxed. This is specifically provided as a tax to be levied by the States.

Mr. REUSS. I will cite to the gentleman, and I hope in flawless Latin:

Expressio unius est, exclusio alterius.

By listing the few penny-ante taxes, such as documentary taxes, the amendment would leave it wide open for a national bank which erected an Acropolis in the State of Michigan to frustrate taxation by Michigan.

Mr. BROWN of Michigan. My amendment would not eliminate the first four paragraphs of the Revised Statutes, which cover such things as income taxes and real estate taxes. Those taxes are in the law now and would remain in the law. I would add an additional paragraph that would bring in five more taxes.

Mr. REUSS. I can name dozens of other taxes. I have named several.

Mr. BROWN of Michigan. Name one.

Mr. REUSS. Value-added taxes, and excise taxes.

Why in the world the gentleman seeks to name a few taxes out of his memory and say these are the only taxes which a State may impose on national banks, I do not know, instead of doing what the committee says, which is that if a State may constitutionally tax a State bank, it may equally apply that tax to a national bank.

I see no reason for a special interest exemption of national banks. If the shoe were on the other foot, I would feel the same way.

Mr. BROWN of Michigan. Mr. Chairman, will the gentleman yield further?

Mr. REUSS. I yield.

Mr. BROWN of Michigan. It seems to me—and does it not seem logical to the gentleman—if the State of Michigan had a justifiable complaint regarding the language of my amendment I would not be suggesting this amendment.

I do not believe the contention of Michigan in this area is necessarily valid, until we take care of the whole problem of interstate taxation and multistate taxation. So when the commissioner of banking of the State of Michigan writes, I believe he wanted something done in this area. He wants the national banks subjected to sales taxes, use taxes, and personal property taxes.

Mr. REUSS. And all other taxes.

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

Mr. Chairman, I rise in support of the Brown amendment. Virtually all of the members of the Committee on Banking and Currency support the broad general principle that both the committee bill and the Brown amendment would be a significant move today protecting State and local revenue sources and toward achieving competitive equality between national and State banks. The problem that has arisen, however, in connection with the committee bill is that it enlarges the potential problem of multistate taxation of interstate banking business. The Brown amendment, on the other hand, avoids this potential problem by retaining the language in section 5219 of the Revised Statutes wherein the existing law states:

> The legislature of each state may determine and direct, subject to the provisions of this section, the manner and place of taxing the shares of national banking associations *located within its limits.*

The committee report avoids the potential problem of multistate taxation when it says:

> The committee bill does not attempt to solve the problems created by multi-state taxation of interstate businesses, and it does not deal per se with questions of jurisdiction and venue in state and federal judicial procedure.

I agree that the committee bill does not attempt to solve the problem created by multistate taxation, but surely the potential problem is enlarged by the manner in which the committee bill would permit multistate taxation to occur.

In short, as acknowledged by the committee report, the bill reported from our committee raises serious questions, the scope of which cannot be predicted. In this connection, the House just 2 weeks ago had before it H.R. 7906, a bill to regulate and foster commerce among the States by providing a system for the taxation of interstate commerce in which banks were specifically excluded. The question of multistate taxation of banks is a thorny issue which should be treated separately.

I am disturbed that the committee report accompanying this bill appears to

contain some misleading statements. On page 5 of the report, under the heading "Wide Support for Committee Bill" the report asserts:

> It is clear that there is wide support, and no substantial opposition, for the policy embodied in the bill as reported by your committee. The Federal Deposit Insurance Corporation submitted a letter supporting the principle of the committee's bill without reservation.

On the same page that this statement appears is the letter from the FDIC dated May 22, some 2 weeks prior to the date that the bill was reported. Contrary to the implication of the report, the FDIC only supported the principle of parity between State and National banks with respect to State and local taxation. The FDIC supported the several bills that had been previously introduced and the Corporation specifically supported the language submitted to the committee by the Department of the Treasury.

Also contrary to the claim of wide support, is the letter from the General Counsel of the Treasury, reprinted on page 6 of the report, where the Department stated in emphatic terms that it believes that—

> A national bank should be subject to the same taxation in its home state as a state-chartered bank in that state.

The Treasury letter went on to say that the recent Supreme Court decision which triggered the need for this legislation "dealt only with the question of taxation by the home State." The letter stated further:

> That case did not involve the broader question of taxation and regulation by other states in which a national bank may do business. This so-called doing business question raises different issues from that involved in the sales tax controversy. The question of taxation of foreign corporations including banks is interwoven with other complex issues such as venue for suit, and necessity for compliance with doing business statutes. We recommend, therefore, that the question of taxation of national banks by states other than the home state be considered and treated separately.

It is clear to me that contrary to the claim of wide support made in the committee report that both the FDIC and the Treasury Department oppose any bill which raises multistate taxation problems.

Mr. Chairman, I do not think the House should treat lightly the potential problem of multistate taxation of banks with interstate operations. Hearings should be held on this separate issue. Congress should think long and hard before it enacts legislation which would even tempt certain States to erect tax barriers against the free flow of capital—especially at a time when such action would increase the cost of borrowing money and diminishing banking competition.

I, therefore, wholeheartedly support the Brown amendment which will remedy all of the known problem areas created by recent Court decisions which have precluded certain States from imposing certain forms of taxes against national banks. Notwithstanding my strong support of the Brown amendment, however, should a majority vote against it, I shall support the committee bill.

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

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

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

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

Mr. PATMAN. I invite the distinguished gentleman's attention to this language in the amendment. It restricts it only to national banks. It says that taxes may be imposed upon a national bank having its principal office within such State.

Now, how can the gentleman answer this question? There are principal offices all over the Nation. The national bank of New York State also operates in the other 49 States and State banks operate in 49 other States under similar circumstances. But under this amendment the national banks cannot be taxed in those other 49 States but only in the State of its principal office. However, the State banks can be taxed in all of the other 49 States.

Does the gentleman from New Jersey think it would be possible for our dual system to survive when a national banking system has such a great advantage?

Mr. WIDNALL. I believe that the original bill said exactly what we are trying to do at this point.

Mr. PATMAN. No; this restricts it to national banks.

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

Mr. Chairman, I oppose the amendment which has been offered by my friend, the gentleman from Michigan (Mr. BROWN), because I feel very strongly that our dual banking system is in trouble. It is in trouble because the State-chartered banks are in trouble and there cannot be any real question about this. Deposits in large State banks in just the last 4½ years have gone from 44 percent of all deposits in large banks to 33 percent, a one-third collapse in the deposits in large State banks. And, Mr. Chairman, it can come as no news to anyone who has been following the scene that hundreds of State banks have been converting to Federal charters. Why do you suppose this is the case? Well, the main fact is that State-chartered banks have not found it possible in recent years to compete with Federal banks. It is just that simple. One of the reasons that State banks have not been able to compete is because of the inequitable and discriminatory tax situation with which they have been faced. It is a matter of constitutional law that national banks cannot be subject to State taxation other than with the permission and the authority of the Congress.

We have not given that authority to date. That is why we are here this afternoon, to say to the States "You can tax federally chartered banks just as you tax your own State banks." We are here this afternoon to eliminate the one area of discrimination that distinguishes tax treatment between Federal and State banks.

The Brown amendment would eliminate just part of the immunity that is enjoyed by Federal banks today. It says that if a national bank is doing business in a State where its principal office is located, then it can be subject to the same taxes as the State banks in that State. But this does not go far enough to eliminate the inequity and the discrimination that is wrapped into the present situation, because national banks do business out of State. What the Brown amendment says is that in that situation leave them alone. Why? The gentleman from Michigan (Mr. BROWN) says because it is just fraught with complexity.

Well, so is our dual banking system fraught with complexity and with difficulty. Choose your course. Postpone the day when we are going to have to look at this because of the complexity of it, but in the meantime there will be more conversions from State charters to national charters, and deposits will continue to go down in the State banks. But do not say that the matter has never been before the Congress, because it is before the Congress this afternoon.

Mr. Chairman, the amendment offered by the gentleman from Michigan (Mr. BROWN), should be voted down.

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

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

Mr. BROWN of Michigan. Mr. Chairman, I do not believe the gentleman wants to leave the wrong impression about some of the things the gentleman has said.

Would not the gentleman agree that in more States than not, counterbalancing provisions are made in the tax laws so that the State banks are not disproportionately taxed to the national banks?

Mr. ASHLEY. No, I would not concede that, and the reason I would not, if I may say it—and I will continue to yield to the gentleman—is that we have telegrams from present supervisors of the State banks pleading for this legislation. They are pleading for it, because they know that the countervailing actions that are sought are not effective to offset the discriminatory taxes that the gentleman knows are implicit in the situation.

Mr. BROWN of Michigan. And, does the gentleman as a "moderate" look favorably upon tax treatment of financial dealings within a State which has the effect of building walls to prevent commerce between the States? Is that right?

Mr. ASHLEY. No, it is not right.

Mr. BROWN of Michigan. That is the impact that your amendment would have if it is adopted.

The CHAIRMAN. The time of the gentleman has expired.

Mr. DEL CLAWSON. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the Brown amendment.

I would like to ask the author of the amendment several questions.

In connection with the committee amendment as offered, without the Brown amendment, is it not a fact that the committee bill makes a major change with regard to State taxation of inter-

state banking operations, and where does this change occur?

Mr. BROWN of Michigan. In reply to the question asked by the gentleman from California, I will state that it does make a substantial change, because the committee bill, if it is adopted, covers the whole area of interstate taxation of banking activities.

The gentleman knows that the Committee on the Judiciary reported out a bill, the House voted on the bill and passed it. That interstate taxation bill, because of the tremendous complexity of the interstate problem, specifically exempted banks, not just national banks, but all banks, removing them from the ramifications of the interstate taxation bill that we passed.

The committee bill in one stroke of the pen would take care of this interstate problem—it says.

Mr. DEL CLAWSON. I want to approach the question you just mentioned in connection with the Committee on the Judiciary. But before I get to that, to what extent could States erect tax barriers against the inflow of, for instance, mortgage funds from out-of-State banks—that is out-of-State national and State banks, if those barriers are erected under the committee bill without your amendment?

Mr. BROWN of Michigan. Let us assume that the State banking institutions within a State do a very limited out-of-State business—a minimum or none—in order to develop a monopoly within that State's financial institutions the legislation could enact taxation measures which would discriminate against national banks that might be doing business in the State; mortgage funds, housing funds and other funding for business would stop coming into that State, because of the taxation that could be imposed upon this multistate activity.

Mr. DEL CLAWSON. Let me use this specific example and use my own State of California. If the Chase Manhattan Bank in New York had operations in the State of California and was providing millions of dollars for mortgage funds and the committee bill was adopted without your amendment, is it possible then for the State of California to impose any restrictive taxes on this out-of-State banking operation?

Mr. BROWN of Michigan. Certainly, it is entirely possible the State of New York and the State California both could tax the amount of the activity carried on in the State of California.

Mr. DEL CLAWSON. So we get multistate taxation unless your amendment is adopted?

Mr. BROWN of Michigan. That could be dual taxation—that is correct.

Mr. DEL CLAWSON. To the extent that an interstate banking operation is taxed at increased levels as you have just described, would there not be a tendency to increase the cost of money, for example, on housing and mortgage money?

Mr. BROWN of Michigan. It seems to me that to the extent you permit the possibility of double taxation and to the extent that you permit a monopolization within a State of financial activity within that State there will likely be an increase in the cost of money.

Mr. DEL CLAWSON. Then really the person who is going to be affected by that is the consumer; is that not true?

Mr. BROWN of Michigan. When it comes to using or borrowing the money, I think the consumer is the one who is going to be hurt.

Mr. DEL CLAWSON. I do not see the chairman of the Committee on the Judiciary, and I would like to ask him a question or a member of the Committee on the Judiciary, because of the exclusion that they made in interstate taxation.

This is the question I want to ask. Banks are specifically excluded from the coverage of H.R. 7906, entitled "A bill to regulate and foster commerce among the State by providing a system for the taxation of interstate commerce."

This was reported on June 2, 1969. Why the exclusion of all banks, both National and State? There must be a reason.

I want to ask members of the Committee on the Judiciary about that since they are the ones who reported it.

I see the gentleman from Colorado (Mr. ROGERS)—would he care to comment?

Mr. ROGERS of Colorado. Unfortunately, I was not a member of the subcommittee that considered this. This is a special committee that was set up and they had some expertise in connection with it.

I would refer the gentleman to other members of the subcommittee who are more familiar with it than I am.

But the intention was to try, and this is my interpretation of it—to try to get away from State taxation in interstate transactions.

Mr. DEL CLAWSON. It is my understanding then that you feel the subcommittee had this in mind?

Mr. ROGERS of Colorado. What is that?

Mr. DEL CLAWSON. That is what you feel the subcommittee had in mind?

Mr. ROGERS of Colorado. There is no question whatever but that the extensions that were extended to interstate transactions were intended to relieve or should I say prohibit a State from making such taxes.

Mr. DEL CLAWSON. I thank the gentleman.

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

Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Michigan (Mr. BROWN).

It seems to me we are trying to make a very simple bill, through an amendment to the bill, a very complicated matter. It is a simple question that is before us today. The question is whether or not we are going to put State banks and Federal banks on an equitable basis. That is the simple issue.

I would like to call attention to the principal words of difference in the two bills. First, the committee bill for tax purposes will deem national banks as State banks. We have heard a great deal of conversation here today about the great changes that the bill will bring about in the law and the great complications that we are going to have as a result. If there are any complications in the law as it exists today, they will still be there, but there will be no new ones created.

The only intent and purpose of the bill as reported by the committee is to put all banks on the same basis. It has no other purpose.

On the other hand, if you follow the logic of the amendment offered by the gentleman from Michigan (Mr. BROWN), you will notice the specific exemptions to what appear to be certain favored banks. I call your attention to the specific words in the amendment. In the applicable part it states:

> In addition to the other methods of taxation permitted herein, a State may impose on a National bank—

And here are the key words, as I understand them—

> having its principal office within such State in the same manner and to the same extent as such taxes are imposed upon a State chartered bank having its principal office within such State—

If I understand correctly, a bank in my general locality which has its principal place of business in Georgia could come to Florida and do such banking business as it is permitted to do in Florida, and stand exempt from the taxing laws of my State.

Let me say to you that in Florida—and I believe this is true in many other States of the Nation today—you are facing a serious problem because of the recent court decisions. In Florida alone we are going to lose more than $20 million in taxes previously collectable from national banks unless we take the kind of action which this committee is attempting to take here. I say to you we do have a simple question here. It is not complicated. We are not going to add any new problems. There has not been a single problem enumerated on the floor of the House today, as I can see it, and it seems to me we are trying to make a mountain out of a molehill.

If we are interested in protecting the small- and middle-sized banks of the Nation, our State banks, and in putting them on a par with national banks, it seems to me we ought to vote down the amendment offered by the gentleman from Michigan (Mr. BROWN), and support entirely the committee amendment.

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

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

Mr. SIKES. The Florida delegation, which has a strong interest in this matter, supports the committee position. Our State is directly affected. The distinguished gentleman from Florida (Mr. CHAPPELL) has pointed out simply, clearly, and emphatically the reasons the committee should support the committee bill. The amendment which is before you is based in considerable measure on the language of a bill introduced by the Florida delegation, and that we applaud, but the amendment does not stop there. It contains an additional proviso which, as I interpret it, sets up a tax loophole of which the big national banks

can take advantage. It reestablishes the very situation which we are attempting to correct. I do not think the House wants to do that. I think the House wants to treat all banks alike and all banks fairly under the law in matters of taxation. That is what I understand the committee bill does and I know it is what the Florida delegation supports.

Mr. CHAPPELL. I thank my colleague from Florida (Mr. SIKES). I point out that 36 States in the Nation, through their principal banking officials, have requested this legislation. I yield back the remainder of my time.

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

The CHAIRMAN. The gentleman from Pennsylvania is recognized.

Mr. WILLIAMS. Mr. Chairman, I would like to state that I voted this committee bill out of committee. I want to state that at no time were there any public hearings held on this bill, and we had only one executive session.

The purpose of H.R. 7491, which we have before us here today, and the purpose of the amendment offered by the gentleman from Michigan are one and the same purpose.

I would like to say to the distinguished gentleman from Florida that the amendment offered by the gentleman from Michigan (Mr. BROWN) accomplishes exactly what the Florida delegation wants and does it much more clearly and concisely than does the bill H.R. 7491.

The amendment offered by the gentleman from Michigan (Mr. BROWN), was never offered before the committee. This is an entirely new amendment. This amendment was never offered to the committee.

We have also heard today time and again that the simplicity of H.R. 7491 is something that makes it highly desirable. The fact is that the simplicity of H.R. 7491 carries with it the very danger we are trying to avoid—the danger of mass confusion.

We are not trying to help the big banks but simply trying to treat the State banks and the national banks the same, so that everybody is treated fairly.

The Judiciary Committee has agonized over the years about the whole problem of interstate taxation, and as of this date no comprehensive legislation has been enacted on this subject relative to banks.

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

Mr. WILLIAMS. Mr. Chairman, I will yield when I have finished.

What I want to say is this: We hear a lot of talk here today about the State in which the principal office is located. Both the bill and the amendment carry the identical language. Let me read the bill to Members:

> For the purposes of any tax law enacted under authority of the United States or any State, a national bank shall be deemed to be a bank organized and existing under the laws of the State or other jurisdiction within which its principal office is located.

The language in the amendment is virtually identical and it says:

> The national bank shall be taxed to the same extent as such taxes are imposed upon a State-chartered bank having its principal office within such State.

So we do not have to worry about the "principal office" condition. Both the bill and the amendment carry precisely the same language.

Here is another thing that has not been mentioned here today. The bill, H.R. 7491, as reported, repeals entirely section 5219 of the Revised Statutes, which was originally enacted in 1864 and last revised in 1926. This section in its present form spells out in detail the methods of State taxation of national banks and has stood the test of time. Now, because of a relatively new problem involving some new taxes, H.R. 7491 wipes out this entire section of the statute. The amendment offered by the gentleman from Michigan (Mr. BROWN) simply revises it to meet the necessities of present-day conditions.

So I urge the passage of this amendment.

Mr. Chairman, I yield now to the gentleman from Texas.

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

I have a copy of the transcript of the proceedings, by the Official Reporter, which has a rollcall, which has each Member's name and how he voted.

Mr. WILLIAMS. Mr. Chairman, is the gentleman directing his comments to the fact that I said this amendment was not introduced in the committee?

Mr. PATMAN. Mr. Chairman, the gentleman said it was not voted upon in the committee.

Mr. WILLIAMS. Mr. Chairman, I ask the gentleman please to read the amendment that was voted upon in the committee.

Mr. PATMAN. The gentleman possibly changes it a little bit.

Mr. WILLIAMS. Mr. Chairman, if he changes it a little bit, I am saying these are important changes.

Mr. PATMAN. He did not change it substantially.

Mr. WILLIAMS. When I say to this House the amendment as it is offered today was never offered in the committee, it never was offered in the committee.

Mr. PATMAN. But this amendment was before the committee and it was defeated by a rollcall vote of 16 to 6.

Mr. WILLIAMS. I am not talking about any improvements which have been made on anything. I simply made the true and correct statement that this amendment was never offered to the committee.

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

Mr. Chairman and Members, I take this time to pose some questions to the gentleman from Wisconsin (Mr. REUSS), and I ask the gentleman to give me his attention.

As I understand the drafting of the bill before us, it will substitute its language for the present language of section 5219, is that correct?

Mr. REUSS. That is correct.

Mr. HANNA. Under the presently existing language of section 5219 banks could be taxed only by the State of their domicile; is this correct?

Mr. REUSS. It is pretty close. There were some exceptions, but that is pretty close.

Mr. HANNA. One of the major differences, then, which this bill will provide is that it will introduce the possibility of interstate taxation on banks to the extent that the States could now and in the future impose taxes upon the operations of banks in other States doing business in their States.

Mr. REUSS. It would treat, extrastate, national, and State banks identically.

Mr. HANNA. In the present law section 5219 limits the taxation of national banks to a selection of methods. The language which is now proposed would put no limitation on the methods of taxation so long as those were the methods by which State banks were also taxed; is that correct?

Mr. REUSS. That is correct; and subject, of course, to the limitation upon State and National banks doing business in another State alike, of compliance by the State tax statutes with the interstate commerce clause.

Mr. HANNA. Yes.

The language of section 5219 as it now reads provides that there can be no nonuniform taxes imposed. Is it the intention of the committee, and do I have your assurance, that with the passage of this bill the national banks would be protected against nonuniform taxation?

Mr. REUSS. The gentleman has that absolute assurance from the entire committee. It would probably be unconstitutional, but that question aside, we have in mind no extra burden on national banks taxwise over that imposed on State banks.

Mr. HANNA. At the present time there is a provision in the law that discriminatory tax rates are prohibited. Do I have the assurance of the committee, and can we have that assurance to the House, that the bill we have before us today will not allow for any discriminatory taxes to be applied to national banks?

Mr. REUSS. Yes.

Mr. HANNA. I thank the gentleman from Wisconsin.

I would merely say to the Members of the House that at the present time I am not really jubilant about the language of the present bill because I was not so deeply assured at the time we passed this that we had our hands on all the handles which might ultimately develop because of passage of this bill, and particularly in the interstate taxation field.

On the other hand, I do not feel that the Brown of Michigan amendment really provides the base upon which we can move toward uniformity, which I think should be available so that the State banks do have an opportunity to stay at the operational level as strong competitors to the national banks.

On the other hand, I would not like to see by the action we take here something simply to reverse, to give a benefit to the State banks that would work against the national banks.

If we are striking for parity, then let us have a record on the floor of the House

to indicate we want to go no further than equity, parity, nondiscrimination, and uniformity. If that is what the committee strongly will move as the expression of the House, then perhaps we can be safe in moving with something. We have been moving on rather thin ice, because we did not have a great deal of discussion or a great deal of testimony upon which to predicate this important decision.

Mr. DEL CLAWSON. Mr. Chairman, will the gentleman yield?

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

Mr. DEL CLAWSON. Do I correctly understand the response the gentleman received from the gentleman from Wisconsin that he has committed the State legislatures against the passage of any discriminatory taxes?

Mr. HANNA. He has indicated, in his judgment, that in this bill and in the existing supporting constitutional provisions no State legislature would be in a position to legally pass such a law.

Is that the gentleman's intent?

Mr. REUSS. Mr. Chairman, if the gentleman will yield, that is a statement of my intent. We are granting by this bill to the State legislatures certain powers. The legislative history here this afternoon makes clear that the place where those powers to tax stop is at the precise point where they would depart from the rule of complete equality between State and National banks.

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

Mr. Chairman, I would like to make the unanimous-consent request that we have 15 minutes to close debate on this amendment and all amendments thereto.

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

Mr. HALL. Mr. Chairman, I object.

Mr. PATMAN. Mr. Chairman, I ask unanimous consent that all debate close in 20 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas that all debate on this amendment and all amendments thereto close in 20 minutes?

Mr. BROWN of Michigan. Mr. Chairman, I object.

Mr. PATMAN. Mr. Chairman, I move that the debate close in 20 minutes.

Mr. GROSS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. GROSS. Is this on the amendment and all amendments thereto or is it on the bill?

The CHAIRMAN. On the amendment and amendments thereto.

Mr. GROSS. Is this on the bill?

The CHAIRMAN. No; it would not be on the bill, but on the Brown amendment and all amendments thereto.

The question is on the motion of the gentleman from Texas.

The motion was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. PODELL).

Mr. PODELL. Mr. Chairman, I think anyone who feels that the bill and the amendment are similar in nature merely because of the fact that the language is similar would be utterly mistaken. There is no question that Mr. BROWN's amendment will prevent equality between State and National banks while the bill itself seeks to cause such equality.

Under the amendment anyone who organizes a national bank would not do so in that particular State where there is a high sales tax or where the taxes are higher in a State that has lower sales taxes. This would create inequality immediately in certain States. For example, in the State of New York almost every bank sought Federal charter. The gentleman from Michigan (Mr. BROWN) asked whether I could think of one tax that each State would lose as a result of the passage of his amendment. I know of one. There is a franchise fee paid to every State by a State-chartered institution. The State of New York lost $400,000 in franchise fees.

Point 2, for those gentlemen who are interested in preserving States rights, we have a situation where bank examinations are conducted on national banks by national bank examiners. Bank examinations of State-chartered institutions are conducted by State examiners. We have 47 individuals who were fired from their jobs in the State of New York last year because of transfers from State to Federal charter.

Insofar as discriminatory use taxes are concerned that argument is not tenable because we all know any such tax introduced by any particular State must be declared unconstitutional on an action brought for the same.

These are the major differences. The Brown amendment will frustrate completely the intent of the bill before the House, and therefore I urge the defeat of the amendment.

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

Mr. FUQUA. Mr. Chairman, I rise in support of the committee substitute because I feel as though we do need to treat our national banks as equally as we do our State banks.

As has been pointed out the State of Florida stands to lose some $20 million in the coming year in revenue. I particularly feel that we should not have any loopholes so that large national banks will have an advantage over State banks. Likewise, I feel that we should not permit State banks to have any advantage over national banks. I feel that this amendment which has been offered by the gentleman from Michigan (Mr. BROWN) would give the large national banks an advantage over State banks. Therefore, I support the committee substitute and hope that the House will support this bill.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The Chair recognizes the gentleman from Indiana (Mr. MYERS).

Mr. MYERS. Mr. Chairman, all of us, of course, agree that there must be equity in taxation. I have some question, however, as to whether this bill is designed to provide for tax revenues or to provide for regulation.

Under section 5219, there is provision made to the effect that a State may impose a basic tax in a number of four ways. In Indiana we have an income tax, an income tax that is called a gross income tax. We now have this income tax placed against State banks, but we do not have it against national banks because they pay intangible taxes while State banks pay both.

I, therefore, pose this question. Must the State of Indiana continue then, under the same plan or does this allow them to collect both from the federally chartered national banks?

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

My MYERS. I yield to the gentleman from Michigan.

Mr. BROWN of Michigan. I thank the gentleman for yielding. I might point out to the gentleman that the situation which exists in Indiana is exactly the same as that which existed in the State of Michigan where the banks pay intangible taxes. Tax measures adopted by the State attempted to effect an equalization of taxes which are paid by the State and national banks. I think that is the situation in Indiana, unless the gentleman has at hand information on the operations in the State of Indiana as contrasted with those in Michigan. In other words, the situation in Michigan is multiplied many times throughout this country. The situation would remain the same in Indiana as it exists today. My amendment, if adopted, would add a paragraph listing five more taxes which States may impose upon national banks which it does not now impose. If counterbalancing measures have been adopted by States, they may need to be repealed.

Mr. MYERS. The gentleman from Florida (Mr. FUQUA) made the statement that this would give an unfair advantage to the State banks over the national banks, or the national banks over the State banks. I see the same language in both.

In what way does the amendment which has been offered by the gentleman from Michigan (Mr. BROWN) change this language, when both provide for exactly the same thing?

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

The Chair recognizes the gentleman from Missouri (Mr. HALL).

Mr. HALL. Mr. Chairman, I yield back the remainder of my time.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania (Mr. JOHNSON).

Mr. JOHNSON of Pennsylvania. Mr. Chairman, when this bill first came before the committee as introduced by the gentleman from Texas (Mr. PATMAN) on February 24 it stated as follows:

A national bank has no immunity from any sales tax, use tax, or personal property tax which it would be required to pay if it were a bank chartered under the laws of the State or other jurisdiction within which its principal office is located.

That is the very language we are trying to accomplish so that national banks would have to pay those taxes as a result of the Florida decision. Then, all of a sudden, came this amendment onto the floor of the Banking and Currency Committee which destroys the language of the original Patman bill as follows:

For the purpose of any tax law enacted under authority of the United States or any State, a national bank shall be deemed to be a bank organized and existing under the laws of the State or the jurisdiction within which its principal office is located.

I want to tell you that when we adopted that amendment we opened up a can of worms insofar as taxation of banks is concerned. Banks should not be treated separately but they should be equalized because of the sensitive nature of taxing a national instrumentality.

In Pennsylvania we tax banks shares. Why? Because it is a tax on individuals. It is not a tax on the bank. Here we are now saying that national banks for taxation purposes are State banks. I say that this is going to go to the courts, and this could well be stricken down, because what we are saying, actually, is that the national bank is something that exists under State law, the law of the State in which its principal offices are located.

That brings up the charter, the bylaws, everything the bank has ever done, brings it into play and makes it amenable to the laws of that particular State.

Mr. Chairman, I say that we are doing a dangerous thing that we cannot well regulate. I would take the language of the Treasury Department. Here is what the bill should say, according to them, and this was on May 22, before June 9, when we adopted the amendment to this bill.

The Treasury Department said this:

In addition to the other methods of taxation permitted herein, a State or political subdivision thereof may impose sales and use taxes on a national bank having its principal office within such State in the same manner and to the same extent as such taxes are imposed upon a State-chartered bank having its principal office within such State.

It does not say that a bank should be deemed to be organized and existing under the laws of any particular State; it says you have to pay the same use taxes and other taxes as the State bank.

I say that the amendment offered by the gentleman from Michigan (Mr. BROWN) answers the problem—and takes care of Florida, too.

The CHAIRMAN. The Chair recognizes the gentleman from Georgia (Mr. BLACKBURN).

Mr. BLACKBURN. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. DEL CLAWSON).

Mr. DEL CLAWSON. Mr. Chairman, I rise only to make two points rather clear.

First, it would not be my intention to discriminate within the dual banking system between national banks over State banks, nor do I find any place in the Brown amendment where that discrimination is possible.

Mr. Chairman, both the State of Florida and the State of California are importers of money, and we need outside money in order to support our economies, and if we do not adopt the Brown amendment we could very easily find some of these sources of funds from outside of the States drying up by reason of multiple State taxation, as already has been indicated is possible under the committee amendment without the Brown amendment.

Also, there has been rumored throughout the committee the statement that branches of national banks in other States would receive the same taxation as State-chartered institutions. It is impossible under existing banking law for a national bank to have branches in other States. They might have loan production offices, but they do not have branches. Of course, this is also impossible with State-chartered banks. That discussion should be removed from the debate. Branches are not permitted outside the boundaries of a State where a bank is chartered, whether national or State chartered.

I rise to make these two points clear, Mr. Chairman.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan (Mr. BROWN).

Mr. BROWN of Michigan. Mr. Chairman, I think in conclusion we can summarize the argument very quickly.

With respect to all matters other than interstate taxation, that is, the taxation of activities within and by the States, there will be the same result under the amendment I have offered as there would be under the committee bill with respect to all taxes of which we have knowledge, at least, 99 percent of them; and by adoption of my amendment we are legislating in areas in which we know what we are doing, and what the problems are.

I do not believe that this House at this time wants to solve the interstate taxation problem of the banks, which the Committee on the Judiciary decided it could not do, and on which the Committee on Banking and Currency held no hearings. Even in the committee report, if you read it, it is said that we are not touching the problem of multistate taxation. That issue is not before the committee. I believe that is almost a direct quote from the report.

That is why I say that we ought to take care of those situations regarding taxes that have recently developed. The multistate taxation problem cannot be resolved in the short time that the Committee on Banking and Currency considered this legislation, and we certainly cannot do it here on the floor of the House.

The CHAIRMAN. The gentleman from Texas (Mr. PATMAN) is recognized to close debate.

Mr. PATMAN. Mr. Chairman, I would like to ask the gentleman from Michigan (Mr. BROWN) a question.

Suppose a State bank which is chartered in New York is doing business in Michigan. If your amendment became law, could this bank that is chartered in New York State, a State bank doing business in Michigan, a loan production office or otherwise—could the State of Michigan tax that business?

Mr. BROWN of Michigan. The State of Michigan? Is the gentleman talking of the situation under your language or mine?

Mr. PATMAN. No; I am talking about yours.

Mr. BROWN of Michigan. If the situs of the tax is in Michigan, under your language it could be taxed.

Mr. PATMAN. No; I did not ask you that. Just give me a categorical reply.

Mr. BROWN of Michigan. I cannot answer a question that is confused as to the facts.

Mr. PATMAN. No; it is not confused. It is your amendment that is confused.

This is a State bank that is doing business in Michigan. It is chartered in New York. Could the State of Michigan—could the legislature tax that business in the State of Michigan?

Mr. BROWN of Michigan. Yes.

Mr. PATMAN. They could? All right. Now suppose it is a national bank and this national bank is doing business in Michigan—could the Michigan Legislature tax the business of the national bank?

Mr. BROWN of Michigan. Probably not. Although the State of Michigan could get a proportion of the income tax, in fact, I think it presently does.

Mr. PATMAN. I know—you said "probably." Under the same circumstances a State bank—you see dealing with a State bank—you said they could tax a State bank and I think you are right.

Now then the national bank cannot be taxed. You cannot say that they can be taxed under your amendment in Michigan because the amendment says you can only tax them in the States of their principal office.

Mr. BROWN of Michigan. Will not the chairman acknowledge, assuming the the same situation, that both the State of Michigan and the State of New York could tax the same subject of taxation?

Mr. PATMAN. No; the State of Michigan could not.

Mr. BROWN of Michigan. Under your language?

Mr. PATMAN. No, no.

Mr. BROWN of Michigan. Then you do not understand your own language.

Mr. PATMAN. I am talking about your amendment. Suppose the gentleman's amendment becomes law, can a State bank chartered in New York and doing business in Michigan be taxed in Michigan? You said "Yes." You said "Right." But then when I asked you if it was a national bank domiciled in New York doing business under the same circumstances in Michigan, could you tax them and you do not reply. What is your answer to that?

Mr. BROWN of Michigan. My answer is that they can—taking your language.

Mr. PATMAN. No; I am not talking about my language.

Mr. Chairman, I do not yield further to the gentleman. I have just asked the gentleman very plainly about your language, if that is adopted, and you are changing the subject entirely.

Mr. BROWN of Michigan. No; I am not changing it.

Mr. PATMAN. The proof of it is that you put the State banks out of business.

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

The question is on the amendment offered by the gentleman from Michigan (Mr. BROWN) to the committee amendment.

Mr. BROWN of Michigan. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. BROWN of Michigan and Mr. PATMAN.

The Committee divided, and the tellers reported that there were—ayes 65, noes 66.

So the amendment to the committee amendment was rejected.

Mr. GROSS. Mr. Speaker, I move to strike the requisite number of words.

GOLF COURSE FOR INTERNATIONAL MONETARY FUND

(Mr. GROSS asked and was given permission to speak out of order.)

Mr. GROSS. Mr. Chairman, we heard a good deal this afternoon about first- and second-class citizens. Earlier this afternoon an interesting little item came to my attention. I would not mention it at this time except that the Banking and Currency Committee is present in full force, and, being the astute committee it is, and having the astute chairman that it has, perhaps the chairman can supply me with some facts that up to this point I have not yet been able to obtain. It is sometimes rather difficult to get certain information from the International Monetary Fund and the World Bank.

I understand that the International Monetary Fund has a brand new golf course and country club along the banks of the Potomac in nearby Maryland; that this outfit, heavily financed with U.S. dollars, has bought 282 acres of land along the river at a cost of $1,127,000 to provide for the golf course, swimming pools, a soccer field, tennis courts, and I do not know what else. Is the committee aware of the way the funds of the International Monetary Fund, and perhaps of the World Bank, are being spent? I would ask the distinguished gentleman from Texas, if he can give the House a little information on this subject.

Mr. PATMAN. The International Monetary Fund is an international organization. The Banking and Currency Committee of the House does not have membership in the organization.

Mr. GROSS. You say you do not have membership in this country club?

Mr. PATMAN. We do not have. I do not know a member of the committee who has. I do not suppose that membership would be illegal or anything like that. But the international organizations—and there are plenty of them operating in Washington—are always looking for investments that will accommodate their members and also be lucrative investments. I would consider that that would be a pretty good investment here in Washington, D.C. I do not know anything about what the gentleman has said on the subject. I have not heard anything about which you could criticize any Member of the House or the Government.

Mr. GROSS. I am not criticizing any Member of this House. I am looking for information.

Mr. PATMAN. I do not have the information.

Mr. GROSS. I thought I might get some help from the gentleman. It seems that membership is limited to officials and employees of the International Monetary Fund and the World Bank. Can the gentleman help me on that?

Mr. PATMAN. The gentleman has already indicated more knowledge than I have on this subject. I assume he is going into it rather fully, and he will give us all the facts. I will appreciate them.

Mr. GROSS. I have only a few notes on it. I was hoping the gentleman, whose committee supplies funds for both the International Monetary Fund and World Bank, and who only a few months ago pushed a bill through the House to give the World Bank another $460 million, would be able to tell us how much of the money the House has so freely approved, went into this plush country club on the banks of the Potomac.

Mr. PATMAN. No one has accused the World Bank or the International Monetary Fund of misapplying any funds.

The gentleman is not even accusing them of doing anything wrong.

Mr. GROSS. But I would think the gentleman would want to find out whose money is being used. Incidentally, it is appropriately named the Bretton Woods Recreation Center. Bretton Woods, as many will remember, was the hatchery for many of the international schemes that haunt this country.

Mr. REUSS. Mr. Chairman, if the gentleman will yield, I can perhaps enlighten him on this.

Not one penny of the money the Congress recently appropriated for the World Bank institutions is in the golf course.

I do not know the reasons behind their setting up the golf course. No doubt the World Bank, being in this country and noticing the hundreds of golf courses at bases throughout the country, thought it would be a good idea. But in any event, let the gentleman ask Secretary Kennedy to ask the Governor of the World Bank to find out the answer.

Mr. GROSS. I do not have to ask the question of whether the $43,000 annual salary of Robert Strange McNamara, now President of the World Bank, is tax exempt. It is, and it is my further information that this country club setup, located in nearby Montgomery County, Md., is also tax exempt.

I intend to go into this matter as thoroughly as possible, for I certainly want to know how much more foreign handout money is being used elsewhere for the construction of pleasure resorts for the downtrodden of the international financing fraternity.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair (Mr. ICHORD) 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. 7491) to clarify the liability of national banks for certain taxes, pursuant to House Resolution 476, 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.

MOTION TO RECOMMIT OFFERED BY MR. BROWN OF MICHIGAN

Mr. BROWN of Michigan. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. BROWN of Michigan. I am, Mr. Speaker, in its present form.

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

The Clerk read as follows:

Mr. BROWN of Michigan moves to recommit the bill H.R. 7491 to the Committee on Banking and Currency with instructions to report it back forthwith with the following amendment: Strike all of the Committee amendment and insert in lieu thereof the following as a substitute:

"SECTION 1. AMENDMENT OF SECTION 5219 OF THE REVISED STATUTES.

"(a) Section 5219 of the Revised Statutes (12 U.S.C. 548) is amended by adding at the end thereof a subparagraph 5 to read as follows:

" '5. In addition to the other methods of taxation permitted herein, a State (including the Commonwealth of Puerto Rico) or political subdivision thereof may impose on a National bank having its principal office within such State in the same manner and to the same extent as such taxes are imposed upon a State chartered bank having its principal office within such State, sales and use taxes, tangible personal property taxes, intangible personal property taxes, documentary stamp taxes, and license, registration, transfer, execise or other fees or taxes imposed on the ownership, use or transfer of motor vehicles: Provided, however, that the taxes imposed under the provisions of this Section 5219 shall not effect a greater total tax liability for a National bank than for a State bank similarly situated.'

"(b) The amendment made by subsection (a) becomes effective on the first day of the first calendar year which begins after the date of enactment."

Mr. BROWN of Michigan (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the mo-

tion to recommit be dispensed with and that it be printed in the RECORD.

Mr. Speaker, it is the amendment I offered in the Committee of the Whole, and it is the subject of my motion to recommit.

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

Mr. PATMAN. Mr. Speaker, reserving the right to object—and I shall not object—I want to make sure that this is the identical amendment which was considered in the Committee and discussed this afternoon and voted on by tellers.

Mr. BROWN of Michigan. It is, Mr. Speaker.

Mr. PATMAN. Mr. Speaker, I have no objection.

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

There was no objection.

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

There was no objection.

The SPEAKER. The question is on the motion to recommit.

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

Mr. BROWN of Michigan. 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 123, nays 227, answered "present" 7, not voting 75, as follows:

[Roll No. 109]

YEAS—123

Abernethy	Ford, Gerald R.	Mosher
Adair	Foreman	Myers
Anderson, Ill.	Fulton, Pa.	Nelsen
Andrews, N. Dak.	Goldwater	O'Konski
Arends	Goodling	Pettis
Ayres	Griffin	Price, Tex.
Belcher	Grover	Quie
Bell, Calif.	Gubser	Railsback
Biester	Hall	Randall
Bow	Hammer-schmidt	Reid, Ill.
Bray	Hansen, Idaho	Reifel
Brock	Hastings	Rhodes
Broomfield	Horton	Riegle
Brotzman	Hunt	Robison
Brown, Mich.	Hutchinson	Roudebush
Broyhill, Va.	Johnson, Pa.	Ruth
Buchanan	King	Saylor
Bush	Kuykendall	Schneebeli
Byrnes, Wis.	Kyl	Schwengel
Camp	Langen	Sebelius
Cederberg	Lloyd	Shriver
Chamberlain	Lukens	Skubitz
Clawson, Del	McClory	Smith, Calif.
Collier	McCloskey	Smith, N.Y.
Collins	McClure	Steiger, Ariz.
Colmer	McCulloch	Steiger, Wis.
Conable	McDade	Teague, Calif.
Corbett	McDonald, Mich.	Thomson, Wis.
Cunningham	McEwen	Utt
Davis, Wis.	MacGregor	Vander Jagt
Denney	Mailliard	Whalley
Dennis	Martin	Whitten
Derwinski	May	Widnall
Dickinson	Michel	Wiggins
Dorn	Miller, Ohio	Williams
Dowdy	Minshall	Winn
Duncan	Mize	Wold
Esheleman	Mizell	Wyatt
Findley	Montgomery	Wyman
Fish	Morton	Zion
Fisher		Zwach

NAYS—227

Adams	Gilbert	O'Neill, Mass.
Alexander	Gonzalez	Passman
Anderson, Calif.	Gray	Patman
	Green, Oreg.	Patten
Anderson, Tenn.	Green, Pa.	Pepper
	Griffiths	Perkins
Andrews, Ala.	Gross	Philbin
Annunzio	Gude	Pickle
Ashbrook	Hagan	Pike
Ashley	Haley	Pirnie
Barrett	Hamilton	Poage
Beall, Md.	Hanley	Podell
Bennett	Hanna	Poff
Bevill	Hathaway	Preyer, N.C.
Biaggi	Hays	Price, Ill.
Bingham	Hébert	Pryor, Ark.
Blackburn	Hechler, W. Va.	Pucinski
Blatnik	Heckler, Mass.	Rarick
Boggs	Helstoski	Rees
Boland	Henderson	Reid, N.Y.
Bolling	Hicks	Reuss
Brademas	Hogan	Rivers
Brinkley	Holifield	Roberts
Broyhill, N.C.	Howard	Rodino
Burke, Fla.	Ichord	Rogers, Colo.
Burke, Mass.	Jarman	Rogers, Fla.
Burleson, Tex.	Johnson, Calif.	Rooney, N.Y.
Burlison, Mo.	Jones, Ala.	Rooney, Pa.
Burton, Calif.	Jones, Tenn.	Rosenthal
Byrne, Pa.	Kastenmeier	Rostenkowski
Cabell	Kazen	Roybal
Caffery	Kee	Ryan
Carter	Keith	St Germain
Casey	Kluczynski	St. Onge
Celler	Koch	Sandman
Chappell	Kyros	Satterfield
Chisholm	Landgrebe	Scherle
Clark	Landrum	Scott
Clay	Leggett	Shipley
Conyers	Lennon	Sikes
Corman	Long, La.	Sisk
Coughlin	Long, Md.	Smith, Iowa
Cowger	Lowenstein	Snyder
Cramer	Lujan	Springer
Culver	McCarthy	Staggers
Daddario	McFall	Stanton
Daniel, Va.	McMillan	Stephens
de la Garza	Macdonald, Mass.	Stokes
		Stratton
Dellenback	Madden	Stubblefield
Dingell	Mahon	Stuckey
Donohue	Mann	Sullivan
Downing	Marsh	Symington
Dulski	Mathias	Taft
Edwards, Calif.	Matsunaga	Taylor
Edwards, La.	Meeds	Thompson, Ga.
Eilberg	Melcher	Thompson, N.J.
Erlenborn	Meskill	Udall
Evans, Colo.	Mikva	Ullman
Fallon	Miller, Calif.	Van Deerlin
Farbstein	Mills	Vanik
Fascell	Minish	Vigorito
Feighan	Mink	Waggonner
Flood	Mollohan	Waldie
Flowers	Monagan	Wampler
Flynt	Moorhead	Watts
Foley	Morgan	Weicker
Ford, William D.	Morse	Whalen
	Moss	White
Fountain	Murphy, Ill.	Whitehurst
Frey	Murphy, N.Y.	Wilson, Charles H.
Friedel	Natcher	
Fulton, Tenn.	Nedzi	Wylie
Fuqua	Nichols	Yates
Galifianakis	Obey	Yatron
Garmatz	O'Hara	Zablocki
Gaydos	Olsen	
Giaimo	O'Neal, Ga.	
Gibbons		

ANSWERED "PRESENT"—7

Cleveland	Kleppe	Wydler
Evins, Tenn.	Pelly	
Hull	Quillen	

NOT VOTING—75

Abbitt	Cohelan	Hansen, Wash.
Addabbo	Conte	Harsha
Albert	Daniels, N.J.	Harvey
Aspinall	Davis, Ga.	Hawkins
Baring	Dawson	Hosmer
Berry	Delaney	Hungate
Betts	Dent	Jacobs
Blanton	Devine	Joelson
Brasco	Diggs	Jonas
Brooks	Dwyer	Jones, N.C.
Brown, Calif.	Eckhardt	Karth
Brown, Ohio	Edmondson	Kirwan
Burton, Utah	Edwards, Ala.	Latta
Button	Esch	Lipscomb
Cahill	Fraser	McKneally
Carey	Frelinghuysen	Mayne
Clancy	Gallagher	Nix
Clausen, Don H.	Gettys	Ottinger
	Halpern	Pollock
Powell	Stafford	Watson
Purcell	Steed	Wilson, Bob
Ronan	Talcott	Wolff
Ruppe	Teague, Tex.	Wright
Schadeberg	Tiernan	Young
Scheuer	Tunney	
Slack	Watkins	

So the motion to recommit was rejected.

The Clerk announced the following pairs:

Mr. Addabbo with Mr. Halpern.
Mr. Edmondson with Mr. Devine.
Mr. Brasco with Mr. McKneally.
Mr. Daniels of New Jersey with Mr. Conte.
Mr. Delaney with Mr. Frelinghuysen.
Mr. Teague of Texas with Mr. Berry.
Mr. Dent with Mr. Harsha.
Mr. Carey of New York with Mr. Clancy.
Mr. Abbott with Mr. Bob Wilson.
Mr. Hungate with Mr. Don H. Clausen.
Mr. Scheuer with Mr. Pollock.
Mr. Slack with Mr. Brown of Ohio.
Mr. Gettys with Mr. Mayne.
Mr. Brooks with Mr. Latta.
Mr. Blanton with Mr. Schadeberg.
Mr. Aspinall with Mr. Betts.
Mr. Baring with Mr. Jonas.
Mr. Karth with Mr. Harvey.
Mr. Kirwan with Mr. Cahill.
Mr. Tiernan with Mr. Lipscomb.
Mr. Wolff with Mr. Button.
Mr. Wright with Mr. Burton of Utah.
Mr. Gallagher with Mrs. Dwyer.
Mr. Purcell with Mr. Edwards of Alabama.
Mr. Young with Mr. Hosmer.
Mr. Ronan with Mr. Watkins.
Mr. Fraser with Mr. Esch.
Mr. Davis of Georgia with Mr. Watkins.
Mr. Cohelan with Mr. Ruppe.
Mr. Abbitt with Mr. Watson.
Mr. Steed with Mr. Stafford.
Mrs. Hansen of Washington with Mr. Hawkins.
Mr. Brown of California with Mr. Jones of North Carolina.
Mr. Tunney with Mr. Joelson.
Mr. Ottinger with Mr. Nix.
Mr. Eckhardt with Mr. Diggs.
Mr. Dawson with Mr. Powell.

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

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

Mr. HULL changed his vote from "nay" to "present."

The result of the vote was announced as above recorded.

The doors were opened.

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

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

The yeas and nays were ordered.

The question was taken; and there were—yeas 344, nays 4, answered "present" 7, not voting 77, as follows:

[Roll No. 110]

YEAS—344

Abernethy	Belcher	Buchanan
Adair	Bell, Calif.	Burke, Fla.
Adams	Bennett	Burke, Mass.
Albert	Bevill	Burleson, Tex.
Alexander	Biaggi	Burlison, Mo.
Anderson, Calif.	Biester	Burton, Calif.
	Bingham	Bush
Anderson, Ill.	Blackburn	Byrne, Pa.
Anderson, Tenn.	Blatnik	Byrnes, Wis.
	Boggs	Cabell
Andrews, Ala.	Boland	Caffery
Andrews, N. Dak.	Bolling	Carter
	Bow	Casey
Annunzio	Brademas	Cederberg
Arends	Brinkley	Celler
Ashbrook	Brock	Chamberlain
Ayres	Broomfield	Chappell
Baring	Brotzman	Clark
Barrett	Broyhill, N.C.	Clawson, Del
Beall, Md.	Broyhill, Va.	Clay

Collier	Johnson, Pa.	Pryor, Ark.
Colmer	Jones, Ala.	Pucinski
Conable	Jones, Tenn.	Quie
Conyers	Karth	Railsback
Corbett	Kastenmeier	Randall
Corman	Kazen	Rarick
Coughlin	Kee	Rees
Cowger	Keith	Reid, Ill.
Cramer	King	Reid, N.Y.
Culver	Kluczynski	Reifel
Cunningham	Koch	Reuss
Daddario	Kuykendall	Rhodes
Daniel, Va.	Kyl	Riegle
Davis, Wis.	Kyros	Rivers
de la Garza	Landgrebe	Roberts
Dellenback	Landrum	Robison
Denney	Langen	Rodino
Dennis	Leggett	Rogers, Colo.
Derwinski	Lennon	Rogers, Fla.
Dickinson	Lloyd	Rooney, N.Y.
Dingell	Long, La.	Rooney, Pa.
Donohue	Long, Md.	Rosenthal
Dorn	Lowenstein	Rostenkowski
Dowdy	Lujan	Roth
Downing	Lukens	Roudebush
Dulski	McCarthy	Roybal
Duncan	McClory	Ruth
Edwards, Calif.	McCloskey	Ryan
Edwards, La.	McClure	St Germain
Eilberg	McCulloch	St. Onge
Erlenborn	McDade	Sandman
Eshleman	McDonald, Mich.	Satterfield
Evans, Colo.	McEwen	Saylor
Fallon	McFall	Scherle
Farbstein	McMillan	Schneebeli
Fascell	Macdonald, Mass.	Schwengel
Feighan	MacGregor	Scott
Findley	Madden	Shipley
Fish	Mahon	Shriver
Fisher	Mailliard	Sikes
Flood	Mann	Sisk
Flowers	Marsh	Skubitz
Flynt	Martin	Smith, Calif.
Foley	Mathias	Smith, Iowa
Ford, Gerald R.	Matsunaga	Smith, N.Y.
Ford, William D.	May	Snyder
Foreman	Meeds	Springer
Fountain	Melcher	Staggers
Frey	Meskill	Stanton
Friedel	Michel	Steiger, Ariz.
Fulton, Pa.	Mikva	Steiger, Wis.
Fulton, Tenn.	Miller, Calif.	Stephens
Fuqua	Miller, Ohio	Stokes
Galifianakis	Mills	Stratton
Garmatz	Minish	Stubblefield
Gaydos	Mink	Stuckey
Giaimo	Minshall	Sullivan
Gibbons	Mizell	Symington
Gilbert	Mollohan	Taft
Goldwater	Monagan	Taylor
Gonzalez	Montgomery	Teague, Calif.
Goodling	Moorhead	Thompson, Ga.
Gray	Morgan	Thompson, N.J.
Green, Oreg.	Morse	Thomson, Wis.
Green, Pa.	Morton	Udall
Griffin	Mosher	Ullman
Griffiths	Moss	Utt
Gross	Murphy, Ill.	Van Deerlin
Gubser	Murphy, N.Y.	Vander Jagt
Gude	Myers	Vanik
Hagan	Natcher	Vigorito
Haley	Nedzi	Waggonner
Hall	Nelsen	Waldie
Hamilton	Nichols	Wampler
Hammer-schmidt	Obey	Watts
Hanley	O'Hara	Weicker
Hansen, Idaho	O'Konski	Whalen
Hastings	Olsen	Whalley
Hathaway	O'Neal, Ga.	White
Hays	O'Neill, Mass.	Whitehurst
Hébert	Passman	Whitten
Hechler, W. Va.	Patman	Widnall
Heckler, Mass.	Patten	Wiggins
Helstoski	Pepper	Williams
Henderson	Perkins	Wilson, Charles H.
Hicks	Pettis	Winn
Hogan	Philbin	Wold
Holifield	Pickle	Wyatt
Horton	Pike	Wydler
Hosmer	Pirnie	Wylie
Howard	Poage	Wyman
Hunt	Podell	Yates
Hutchinson	Poff	Yatron
Ichord	Preyer, N.C.	Zablocki
Jarman	Price, Ill.	Zion
Johnson, Calif.	Price, Tex.	Zwach

NAYS—4

Brown, Mich.	Mize	Sebelius
Collins		

ANSWERED "PRESENT"—7

Camp	Hull	Quillen
Cleveland	Kleppe	
Evins, Tenn.	Pelly	

NOT VOTING—77

Abbitt	Dent	Lipscomb
Addabbo	Devine	McKneally
Ashley	Diggs	Mayne
Aspinall	Dwyer	Nix
Berry	Eckhardt	Ottinger
Betts	Edmondson	Pollock
Blanton	Edwards, Ala.	Powell
Brasco	Esch	Purcell
Bray	Fraser	Ronan
Brooks	Frelinghuysen	Ruppe
Brown, Calif.	Gallagher	Schadeberg
Brown, Ohio	Gettys	Scheuer
Burton, Utah	Grover	Slack
Button	Halpern	Stafford
Cahill	Hanna	Steed
Carey	Hansen, Wash.	Talcott
Chisholm	Harsha	Teague, Tex.
Clancy	Harvey	Tiernan
Clausen, Don H.	Hawkins	Tunney
Cohelan	Hungate	Watkins
Conte	Jacobs	Watson
Daniels, N.J.	Joelson	Wilson, Bob
Davis, Ga.	Jonas	Wolff
Dawson	Jones, N.C.	Wright
Delaney	Kirwan	Young
	Latta	

So the bill was passed.

The Clerk announced the following pairs:

Mr. Addabbo with Mr. Conte.
Mr. Aspinall with Mr. Devine.
Mr. Brasco with Mr. Halpern.
Mr. Ottinger with Mr. Grover.
Mr. Edmondson with Mr. Berry.
Mr. Daniels of New Jersey with Mr. McKneally.
Mr. Carey with Mr. Cahill.
Mr. Abbitt with Mr. Mayne.
Mr. Teague of Texas with Mr. Stafford.
Mr. Wolff with Mr. Button.
Mr. Brooks with Mr. Harsha.
Mr. Davis of Georgia with Mr. Watson.
Mr. Delaney with Mr. Betts.
Mr. Dent with Mr. Bob Wilson.
Mr. Ronan with Mr. Pollock.
Mr. Gallagher with Mr. Clancy.
Mr. Kirwan with Mr. Frelinghuysen.
Mr. Tiernan with Mr. Harvey.
Mr. Wright with Mr. Bray.
Mr. Hungate with Mr. Jonas.
Mr. Blanton with Mr. Esch.
Mr. Purcell with Mr. Don H. Clausen.
Mr. Scheuer with Mr. Ruppe.
Mr. Young with Mr. Brown of Ohio.
Mr. Jones of North Carolina with Mr. Edwards of Alabama.
Mr. Tiernan with Mr. Schadeberg.
Mr. Brown of California with Mr. Nix.
Mr. Cohelan with Mr. Talcott.
Mr. Slack with Mr. Watkins.
Mr. Hanna with Mr. Lipscomb.
Mr. Steed with Mr. Latta.
Mr. Jacobs with Mr. Diggs.
Mr. Eckhardt with Mr. Joelson.
Mr. Gettys with Mr. Burton of Utah.
Mrs. Hansen of Washington with Mrs. Dwyer.
Mr. Fraser with Mr. Dawson.
Mrs. Chisholm with Mr. Powell.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

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

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

There was no objection.

PERMISSION FOR COMMITTEE ON MERCHANT MARINE AND FISHERIES TO FILE A REPORT ON H.R. 11363 UNTIL MIDNIGHT SATURDAY, JULY 19

Mr. DINGELL. Mr. Speaker, I ask unanimous consent that the Committee on Merchant Marine and Fisheries may have until midnight Saturday, July 19, to file a report on H.R. 11363.

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

There was no objection.

PERMISSION TO FILE SUPPLEMENTAL REPORT ON H.R. 12549

Mr. DINGELL. Mr. Speaker, I ask unanimous consent that the Committee on Merchant Marine and Fisheries may have until midnight Saturday, July 19, to file a supplemental report on H.R. 12549 to correct a printing error in that report.

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

There was no objection.

PERSONAL ANNOUNCEMENT

Mr. DULSKI. Mr. Speaker, on rollcall No. 99 on Tuesday, July 8, I am recorded as absent. I was away from the Capitol on official business and returned too late to be recorded. Had I been present, I would have voted "nay."

ACQUISITION OF CONTROL OF AIR CARRIERS

Mr. STAGGERS. 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. 8261) to amend the Federal Aviation Act of 1958, as amended, and for other purposes.

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

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. 8261, with Mr. ICHORD 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 West Virginia (Mr. STAGGERS) will be recognized for 30 minutes, and the gentleman from Illinois (Mr. SPRINGER) will be recognized for 30 minutes.

The Chair at this time recognizes the gentleman from West Virginia.

Mr. STAGGERS. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, this bill, as amended, was passed unanimously by both the Subcommittee on Transportation and Aeronautics and by the full Committee on Interstate and Foreign Commerce. It does not involve any additional cost or increase of personnel on the part of the Federal Government.

Briefly, what it does is provide for review by the Civil Aeronautics Board where there is a possible acquisition of control of an air carrier by any person.

The Board now has power under the Federal Aviation Act to review air carrier control changes when such changes involve other air carriers, surface carriers or those engaging in some phase of aeronautics. As an example, if Pan American Airways were, through stock purchases, to seek control of Trans World Airlines, such action would require review by the CAB before a new control situation could be approved and legalized. However, if Sears, Roebuck were to make the same financial moves against Trans World through stock purchases, the Board would not presently have the power to review the acquisition of control. Simply put, the committee feels that the Board should have the same reviewing authority whether the changes in the transportation rights of a corporation are effected by the carrier or by a noncarrier.

Our air carriers are certificated by the Civil Aeronautics Board. They are authorized to provide service in the public convenience and necessity. Under the statute, the carrier, before it receives this authority must establish that it is fit, willing and able to provide safe and adequate service, pursuant to its certificate, under honest and efficient management. The public has a continuing interest in this, and the CAB should be in the position to review changes in the control of an air carrier to ascertain whether or not the purpose for which the carrier was licensed; namely, to provide transportation, has been altered to the detriment of the public.

As I said to start off with, the bill was considered by the subcommittee and was voted out unanimously. All the different interests which appeared before the committee were in agreement that the bill should be passed. No one appeared in opposition to the bill.

I might say since the bill was agreed to by the committee, there has been some question and some objection to the retroactive provision setting the effective date of this action as March 7 of this year. I have told those who have objected to it that I would offer an amendment myself to say that the bill would become effective as of the date of enactment. There has been agreement on both sides about this, that this is all right.

There is some question on the part of those who feel perhaps different noncarrier groups ought to be able to buy into airlines, and we have no quarrel with this whatsoever. I would like to repeat that those who appeared, such as CAB, the Bureau of the Budget, and the Department of Transportation, and the Department of Justice all supported this—as does the Air Transport Association.

There is some objection to it from my friend, the gentleman from Colorado, who will be offering an amendment in a few minutes. We have tried to settle these difficulties ahead of time, and we have not, and I have agreed to yield the gentleman the time he needs to discuss this.

I think we ought to proceed with this bill and pass it.

I remember about 7 years ago, when there were over 90 servicemen killed in a plane accident, a plane that crashed near Richmond. Then there was a whole football team from the west coast eradicated when a plane went down in Ohio, and there were other plane accidents which caused many deaths across the Nation.

To clean up the irregular or no-scheduled carriers, I stood fast for almost 1 year against any compromise with the other body. There are men still in this House who remember that controversy.

I said then we should not have any group operating an airline in America that is not competent. I still believe that, and I do not believe someone should be able to come in, after a company has acquired know-how and knowledge of how to operate, and just acquire the airline. For that reason I believe this bill ought to be passed. I will not go further into the history of it. If there is any question, I will answer it.

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

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

Mr. HALL. Mr. Chairman, in view of the last statement made by the gentleman, which he gave with such vehemence and I am sure with such conviction? Is this applicable to the nonscheduled airlines?

Mr. STAGGERS. The supplementals are certificated. All of them are. We have made them certificated.

Mr. HALL. I understand that the supplementals are now certificated.

Mr. STAGGERS. They are.

Mr. HALL. There are certain nonscheduled airlines, both domestic and overseas, to which this would not be applicable.

Mr. STAGGERS. That is right, at least domestically. I believe perhaps we will have to pass laws to put them under closer supervision.

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

Mr. Chairman, conglomerates are news. The gobbling up of many diversified. industries into one monster corporation is taking place constantly. Perhaps this is very good and perhaps it is very bad. There is not yet enough experience with the phenomenon to justify a decision either way. As this process goes forward, however, it is bound to touch and has touched some industries in which the public has a special interest. These are industries which are commonly referred to as the "regulated industries" and include those whose whole economic life and mode of operation are subject to Government scrutiny and regulation. Among these are such things as electric power, telephones, such things as electric power, telephones, securities, and all modes of transportation.

H.R. 8261 confines itself to the problem as it affects the air transportation industry. That does not mean that the others are less important or that they are adequately provided for. It does mean that the air industry in this particular regard is, for a while at least, to be the guinea pig.

For years it has been recognized that an air carrier should not acquire its competition in the field without some look at the effect upon the public. Consequently, the Federal Aviation Act gave authority to the Civil Aeronautics Board to pass upon transactions which would tend to reduce the number of air carriers and the consolidation of them. Acquisition of an air carrier by anyone else in the air business generally must be passed upon by the CAB. When that provision was put into the law, it seemed entirely adequate to protect the public interest against undue concentration of ownership in the industries related to air transportation. But today the problem itself has changed considerably. Concentrations of ownership, when they occur, tend to be the diversified kind which we call conglomerates for lack of a more accurate term.

The bill before us today would grant authority to the CAB to take a look at proposed takeovers of air carriers by people not in the air business at all. That is desirable. The whole broad question of what happens to a regulated industry when it is submerged into a conglomerate should be explored. It may hurt the public interest or it may help, but we must, at the very least, protect the means to determine the effect of such arrangements.

To do this H.R. 8261 sets out four elementary requirements:

First. One who acquires ownership of 5 percent of any class of the stock of an air carrier must make reports to the CAB annually on such holding. That gives the CAB some idea where to expect takeovers and also some information about people who may acquire large blocks of stock in several air carriers and who may, at the same time, be acquiring large blocks of stock in other enterprises, including other modes of transportation.

Second. When the holdings of an individual—or company—climb to 10 percent of the stock of an air carrier, it is presumed that he has control. It is recognized that control may be acquired with somewhat lesser percentages and that larger holdings do not really make control possible under some circumstances. Nevertheless, a guidepost of 10 percent seems reasonable and merely raises the flag for the Board to look closely at the deal.

Third. If in fact control does seem to be involved, the CAB must approve that acquisition. In the course of such a determination much can be learned about the effects of such a course of action

upon the operations of the air carrier. Also it would reveal much about the ways and means of such activities. Such information could be very valuable in other fields.

Fourth. Because the larger problem of conglomerate mergers is inherent in this one sector, and because the decisions required may synthesize the broader problem, the bill requires that the Attorney General be brought in as a routine matter on such proceedings.

So here we have one of the early efforts to ferret out the real consequences of conglomerate activity. The fact that it arises in the air carrier industry rather than railroads, trucks or some other regulated industry is greatly a matter of happenstance. Lightning just happened to strike there, and we are reacting to it. The other body has already announced that it will proceed to examine the same issues in other industries, and I think it safe to assume that we shall do likewise. For the time being I believe that this act will be a useful addition to the Aviation Act, and I recommend it.

Mr. Chairman, I want to join with our distinguished chairman, and call attention to the fact that there really is a unanimous approach to this bill and in support of the bill in the committee. Even in the separate views the final sentence is:

> While we support the present legislation, we strongly urge a prompt, comprehensive examination of all facets of these complex problems before additional legislative action is taken in this area.

They do endorse the bill.

There is a feeling, of course, which was expressed earlier when the rule was adopted, regarding the retroactive feature. It is my understanding that the chairman has agreed to an amendment to take care of that.

I urge the adoption of the bill.

Mr. STAGGERS. Mr. Chairman, I yield 5 minutes to the gentleman from Colorado (Mr. ROGERS).

Mr. ROGERS of Colorado. Mr. Chairman, I rise in opposition to this bill for the simple reason that it is a special interest bill. I direct attention to the hearings which were held, when for the first time this was called to the attention of the Congress, as indicated in questions presented by the gentleman from Ohio (Mr. DEVINE). On page 13 of the hearings he said:

> I am not sure that we are being completely frank here in these hearings. I have read in Forbe's magazine, I have read in some of the weekly news publications and in the Wall Street Journal and others that this whole thing is motivated by Mary Carter Paints or its successor, Resorts, Inc., is possibly connected with the Cosa Nostra or Mafia and this is clearly from rumor, allegedly tied up with some sinister organization, and that is why people are upset about the possible acquisition of x percentages or shares of stock in Pan American or something. I am wondering if we are trying to resolve a specific situation with general legislation that will affect the entire industry.

I point out that until the time the Chase Manhattan Bank disposed of some of the stock they owned, when they came close to getting some control of Pan American Airways, we did not hear anything about this legislation. Not only that, but if my information is correct, they went to the President of the United States, and he had some Members of this body come down, and in effect told them, "Do not let the management of Pan American be turned over to anybody else."

The result was the bill we have before us here today, which makes it absolutely necessary that before any individual, or 95 percent of the stockholders of any company, can run an airline it is incumbent upon them to go to the CAB and get permission to operate their own company.

I would refer you to section 408, which we are amending, under section 5. If you will take a look at the report, in part 3 it says:

> It shall be unlawful unless approved by order of the Board as provided in this section.

Now let us skip down to 5. According to the Ramseyer rule, the only amendment you are making is:

> For any air carrier or person controlling an air carrier, any other common carrier, or any person engaged in any other phase of aeronautics—

There is where we stop, and that is what the law was until you added these words—

> or any other person . . . Provided, That the Board may by order exempt any such acquisition of a noncertificated air carrier from this requirement.

This is the air carrier that the gentleman testified about. You permit the CAB to exempt them. However, under this, if I get control of 95 percent of Pan Am's stock and am elected to its board of directors, before any action can be taken, I must come and get approval of the CAB. That is No. 1.

No. 2 is that there is some question as to whether or not this does not give more authority to the CAB to grant immunity for violations of the antitrust laws. I think the chairman will agree and the members of the committee will agree that under section 414 persons affected by the CAB orders pursuant to section 408—and that is the section we are amending—are accorded inter alia immunity from antitrust laws.

The CHAIRMAN. The time of the gentleman has expired.

Mr. STAGGERS. Mr. Chairman, I yield the gentleman from Colorado 5 additional minutes.

Mr. ROGERS of Colorado. This is even if there is such expressed immunity. The Supreme Court has held such statutory regulation is to be narrowly construed. We have this situation here, and the Attorney General, when he appeared before the committee, pointed out that there was a serious problem as to whether or not this did not give more authority to the CAB.

The question arises in this manner: If the board were to authorize an acquisition or control of an airline on the grounds that it saw no harm in the acquisition, the acquiring company might contend that the antitrust laws could not be applied to any aspects of the transaction even though it would have substantial opportunity to render harmful effect on competition outside of air transportation. This creates a situation similar to this: Suppose you have a company controlled by an airline and in turn you have a hotel company that would acquire that airline. Then thereafter the hotel company and the airline together would acquire another company. The immunity granted to the airline at the time it acquired the company—does that immunity continue on until they can acquire other hotels and still be immune from the antitrust laws?

Now, I want to point out one thing further, and that is this. If you will take a look at the hearings and particularly at page 29, you will find there a list of the trucklines wherein more than 10 percent—mind you, this bill has a proposed limitation and it says that any time that anyone obtains 10-percent control of an airline or gets 10-percent interest therein, they have got to go to the Board.

Now, if you will take a look at page 8 of the report you will find that the following language appears:

> For the purposes of this section, any person owning beneficially 10 per centum or more of any class of the capital stock or capital of an air carrier shall be presumed to be in control of such air carrier unless the Board finds otherwise.

Now, directing your attention again to page 29 of the hearings one will find a list of the airlines and one will find that there are seven companies that have more than 10 percent.

Mr. Chairman, they say that this is not to be retroactive. Well, probably, one of the reasons it is not is because Braniff Airlines is owned by Ling-Temco-Vought—and incidentally, they are one of the conglomerates—and Northeast Airlines is owned by a broadcasting company, they own only 85 percent——

Mr. STAGGERS. Mr. Chairman, if the gentleman will yield, these questions were thoroughly considered by the Board and already have come under their control. There is no question about that.

Mr. ROGERS of Colorado. But suppose I bought 10 percent of the stock of this company and then I got enough stockholders together to oust the board of directors, can I take over the company without the approval of the CAB? That is my contention.

Mr. STAGGERS. Mr. Chairman, if the gentleman will yield further, all we are asking is that we feel the Board should take a look at all these matters. We want to see that protection is afforded in every way.

Mr. ROGERS of Colorado. But, in order for the Government to have this control, for instance, does the gentleman and I have the power to see that they live up to the certificate but still have to go and obtain the approval of the CAB? I say this because otherwise the bill would be absolutely meaningless.

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

Mr. STAGGERS. Mr. Chairman, I yield the gentleman 1 additional minute.

The CHAIRMAN. The gentleman from Colorado is recognized for 1 additional minute.

Mr. ROGERS of Colorado. I would like to ask the chairman, the gentleman from West Virginia (Mr. STAGGERS), a question:

I understand that this bill is not intended to diminish the applicability of the antitrust laws. At present, a merger of two hotel chains is subject to the antitrust laws. If one hotel chain were to acquire an airline, and then another hotel chain were to acquire the first hotel chain, thereby acquiring, indirectly, control of an air carrier, this joinder of the two hotel chains would come before the CAB for approval under this bill. I take it that the intent of the bill is that the merger of hotel chains would still be subject to the antitrust laws, and the CAB approval of the transaction would not exempt the nontransportation lines of commerce from the antitrust laws?

Mr. STAGGERS. I yield to my friend, the gentleman from Michigan (Mr. DINGELL) to answer that question, but I think the answer to it is already in the record, and it is in the committee report on pages 4 and 5.

Mr. DINGELL. Mr. Chairman, I thank the gentleman for yielding. I would say that I had the same apprehension, and, as the chairman of the committee, the distinguished and able chairman and my good friend pointed out to me this morning, and as I feel as a member of the subcommittee, I feel the answer to the question raised by the gentleman from Colorado is yes, the laws would still continue to apply, and——

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

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

I would just like to refer to one segment from the report—see page 4—questions were raised in the hearings governing the effect of this legislation on the antitrust laws. Some thought was given to amending the bill to define such effect, and the committee determined that this was neither necessary nor desirable, and that the intent of the bill as reported is that the antitrust laws are not affected by the amendment to the Federal Aviation Act in any manner. That is, the law now governing this subject would neither be strengthened nor weakened.

I would also like to say again, as my friend (Mr. ADAMS), from Washington, has pointed out to me, that section 1, the reporting requirement, applies to all. This should give the CAB the information that it needs.

I also want to say that the 10 percent was debated and this is an arbitrary yardstick—a measure—used only for presumptive purposes. Control may, or may not, exist above or below the 10-percent line.

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

The CHAIRMAN. 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.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Federal Aviation Act of 1958, as amended, is further amended as follows:

SECTION 1. Section 407(b) (49 U.S.C. 1377 (b)) is amended by adding the following additional sentence: "Any person owning, beneficially or as trustee, more than 5 per centum of any class of the capital stock or capital, as the case may be, of an air carrier shall submit annually, and at such other times as the Board may require, a description of the shares of stock or other interest owned by such person, and the amount thereof."

SEC. 2. Section 408 (48 U.S.C. 1378) is amended by striking subsection 408(a)(5) in its entirety, and inserting in lieu thereof the following:

"(5) For any air carrier or person controlling an air carrier, any other common carrier, or any person engaged in any other phase of aeronautics, or any other person, to acquire control of any air carrier in any manner whatsoever: *Provided,* That the Board may by order exempt any such acquisition of a noncertificated air carrier from this requirement to the extent and for such periods as may be in the public interest;".

SEC. 3. (a) Section 408 is further amended by deleting the first sentence of subsection 408(b) and substituting in lieu thereof the following: "Any person seeking approval of a consolidation, merger, purchase, lease, operating contract, or acquisition of control, specified in subsection (a) of this section, shall present an application to the Board, and thereupon the Board shall notify the persons involved in the consolidation, merger, purchase, lease, operating contract, or acquisition of control, other persons known to have a substantial interest in the proceeding, and the Attorney General of the time and place of a public hearing."

(b) Section 408 is further amended by inserting in the third proviso of subsection 408(b) after the words "determines that no person disclosing a substantial interest" the following: "or the Attorney General".

SEC. 4. (a) Section 408 is further amended by adding the following new subsection 408(f):

"Presumption of control

"(f) For the purposes of this section, any person owning beneficially 10 per centum or more of any class of the capital stock or capital of an air carrier shall be presumed to be in control of such air carrier unless the Board finds otherwise."

(b) That portion of the table of contents contained in the first section of the Federal Aviation Act of 1958 which appears under the heading "SEC. 408. Consolidation, merger, and acquisition of control." is amended by adding at the end thereof the following: "(f) Presumption of control."

SEC. 5. The provisions of section 2 of this Act shall take effect on March 7, 1969; and the other sections shall take effect on the date of enactment of this Act.

Mr. STAGGERS (during the reading). Mr. Chairman, I ask unanimous consent that the substitute committee amendment 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 West Virginia?

There was no objection.

AMENDMENT OFFERED BY MR. STAGGERS

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

The Clerk read as follows:

Amendment offered by Mr. STAGGERS: On page 5, strike all of lines 12 through 14 and insert in lieu thereof:

"SEC. 5. The provisions of this Act shall take effect on the date of the enactment of this Act."

Mr. STAGGERS. Mr. Chairman, I just want to point out that all this amendment does is strike out the retroactive provision, and the bill will take effect as soon as the bill is enacted into law.

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

Mr. Chairman, it seems to me that this record ought to be full as to what brought about this particular piece of legislation. Back in the first part of this year—and may I say the distinguished gentleman from Colorado only alluded to it a few moments ago, but did not tell the full story—in February of this year Resorts International, which started out as the Mary Carter Paint Co., became a conglomorate. Resorts International owns real estate in the Bahama Islands. A part of this was a gambling establishment or establishments. They decided to make a tender of an offer as a conglomorate to the stockholders of Pan-Am Airways.

Apparently, they have the financial backing to consummate this kind of a deal which it is my recollection involved between $1 billion and $1,200,000,000. This was no peanut affair.

Now why did Resorts International want to own or control Pan American Airways? In almost every country in the world to which Pan American Airways flies, gambling in one form or another is legalized, except in the United States. Many of the hotels all over the world have gambling establishments in them. This was a ready-made setup for Resorts International to have an international gambling establishment made for them. They were purchasing this already made. In some hotels that Pan American owns there are gambling establishments.

What better could an organization like Resorts International have than something already built into it that they were buying? You had the airplanes of Pan American Airways to carry all the people you wanted to, to the gambling tables all over the world.

Nothing could have been more perfectly set up for Resorts International than to purchase Pan American Airways.

This was immediately brought to our attention. The committee felt that we had a public responsibility to see that there was at least a fair hearing of a company that was regulated by an agency created by this Congress, which was the Civil Aeronautics Board.

There came immediately the question: Is it in the public interest for any company to take over unilaterally and without a hearing any company subject to regulation of an agency which we are supposed to be watching in the public interest?

Now may I say to my colleagues, you can talk about this all you want to but this was the fundamental question.

This bill is not as broad as I would have wanted it to be. If I could have written this bill, I would have prevented, in different language, a takeover of any company regulated by an agency of this Government including all seven of the

regulatory agencies instead of just one—the Civil Aeronautics Board.

Let me give you an example. Would it be in the interest, we will say, of someone to take over a transcontinental gasline from Texas to California or from Texas to the Northeast States without provision even for a hearing or without knowing what this company was going to do with the gasline after they got possession of it or without knowing whether it is going to be in the public interest or not, or whether this is the kind of company that ought to be able to administer and run such a company?

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

(Mr. SPRINGER asked and was given permission to proceed for 5 additional minutes.)

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

Mr. SPRINGER. I yield to the distinguished Speaker, the gentleman from Massachusetts (Mr. McCORMACK).

Mr. McCORMACK. Without knowing in some cases where some of the money might be coming from.

Mr. SPRINGER. The Speaker has touched on a very sensitive but a very important matter here—that is, without the public being aware, the people being served, of what the source of income was which is purchasing the company that is regulated. That certainly is a point that was raised in this case because we had the feeling after we got into this thing, and I think there would be some rather substantial evidence, that there was a lot of gambling money that came as the result of gambling in the Bahamas that was going into the purchase of Pan American Airways.

Mr. ROGERS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman.

Mr. ROGERS of Colorado. May I direct this question to the attention of the committee. After the Chase Manhattan had disposed of some of this stock, was it called to the attention of the committee?

Now has there been any investigation as to who got that stock and the terms and conditions under which it was purchased?

Mr. SPRINGER. You are talking about stock of what company?

Mr. ROGERS of Colorado. Of Pan Am. I made the accusation that this was a special bill for the benefit of Pan Am in order to keep the management in control and not let the stockholders run it. I started out by making the statement that Pan Am directed it to the attention of this committee because Chase Manhattan had disposed of the stock and Pan Am and its officers became apprehensive that they would lose control of their company.

Now, this company you talk about does not fly within the United States. It has no certificate to do business within the United States. What it does is international business. If that is the case, why should we permit, as we now permit, Pan Am and all other carriers to enter into agreements with all other international carriers as to rates and things of that nature? You want to protect them further by saying that he who might get control of the company through ownership of the stock of Pan Am cannot run it until such time as they go down here and convince the CAB. Is that not what this amounts to?

Mr. SPRINGER. No, it is not. I do not understand what the gentleman has said at all. If he is asking about Chase Manhattan, I say that nobody has spoken to me about Chase Manhattan. I know nothing about Chase Manhattan. That was not the purpose of it. Chase Manhattan was never mentioned. Chase Manhattan was never mentioned in my presence, and I was present in several of the conferences that took place with the chairman and several other Members of this body with reference to it.

Mr. ROGERS of Colorado. Where did you first start the conferences in connection with it? Was it a call from the White House?

Mr. SPRINGER. No, not that I know of. I will say that we did meet in the Speaker's office and, may I say, the Speaker was there, the minority leader was there, the chairman was there, and I was there. It was related to me, as I saw it, that this is exactly what was going to happen unless some action was taken, and it was only because the chairman announced that we would start hearings—and that is all in the world we said we were going to do was to start hearings to find out what the facts were—and upon the announcement of the chairman that those hearings were going to take place, the resort to international was withdrawn.

Mr. ROGERS of Colorado. I take it from what you have said that nobody ever said to you that Chase Manhattan disposed of this stock and that the disposal of the stock came before the meeting in the Speaker's office? You never knew that?

Mr. SPRINGER. I do not know that that is a fact. If it is a fact, and you say it is, I do not know that. Nobody has informed me of that and, so far as I know, our hearings do not bear it out.

Mr. ROGERS of Colorado. If you will call Chase Manhattan, they will verify it.

Mr. SPRINGER. I know nothing about the facts or the reason it was done. What I am trying to state here is what we are trying to accomplish by this legislation. This does not apply necessarily to Pan Am. It applies to any carrier, domestic or international.

Mr. KEITH. Mr. Chairman, I move to strike the necessary number of words.

Mr. Chairman, I am glad the gentleman from Illinois took the well of the House to acquaint us with his view as to what this legislation is all about. I was particularly glad when he said were he to have his way this proposed legislation would be applicable to all regulated industries and carriers.

For many months, in fact for years, I have been concerned with the growth of the conglomerate phenomenon, and early in this year, prior to the Ways and Means Committee getting interested and prior to the Banking and Currency Committee getting involved, I filed legislation with the Commerce Committee asking for a study of the conglomerate phenomenon as it pertained to regulated carriers.

I would have filed more general legislation going to the Committee on Banking and Currency or Ways and Means, but I felt that insofar as the Commerce Committee jurisdiction was concerned, we had a primary responsibility because of our legislative oversight of the activities of the various regulatory bodies, such as the Interstate Commerce Commission, the CAB, and others who have jurisdiction in these particular fields.

I regret the hearings have not been held on this whole question. I am glad this is being aired today, that we may be reminded of our responsibility.

We cannot be against business just because it is big, because bigness can be in the public interest, but when that big business is organized in a way that does not contribute to the regulated industry within the jurisdiction of an independent agency of this Congress, we are being lax in our duties.

I would hope and trust that we would take the words that have been expressed by the gentleman from Illinois to heart, those of us on the Commerce Committee in particular, and move forward to build on this legislation before us, because we have a real opportunity to contribute to a much more viable transportation system and communications network, as well as to safeguard many other aspects of our economy.

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

Mr. KEITH. I yield to the gentleman from Illinois.

Mr. SPRINGER. Mr. Chairman, at the time I first knew of this and at the time I talked with other Members of this committee and Members of this House with reference to the conglomerate situation, I said there were many conglomerates that I assumed were doing a good job, and some that were desirable, but what we were saying to them was simply this. We believe there are some conglomerates we have some serious doubts about, and this always happens in any industry or business.

What we tried to get was an explanation out in the open as to what a conglomerate does, and to get out in the open those conglomerates that were bad. If they were operating illegally we wanted to know about it. But this is not against the great majority of the conglomerates that are doing legitimate business in a good fashion. But the people want to know the extent of the conglomerates that are doing business, and we think this ought to be on the table.

I wanted to redefine it as to what we were interested in, and especially the regulatory agencies ought to have notice when conglomerates attempt to take over regulated industries.

Mr. KEITH. This has been described as being class legislation. This is not class legislation. It is legislation in the public interest. Legislation dealing with size alone would be class legislation, but this is dealing with the broad regulatory problem.

Mr. ROGERS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. KEITH. I yield to the gentleman from Colorado.

Mr. ROGERS of Colorado. Mr. Chairman, when did the gentleman learn the stock was disposed of by Chase Manhattan Bank of the Pan Am stock?

Mr. KEITH. I brought the overall problem to the attention of the committee in January of this year, with the introduction of House Joint Resolution 315, long before the legislation before us today was filed.

Mr. ROGERS of Colorado. Does the gentleman know the amount of stock sold by Chase Manhattan?

Mr. KEITH. I do not know.

Mr. ROGERS of Colorado. But the problem is created by virtue of the fact that Chase Manhattan disposed of the Pan Am stock, which would threaten the ownership or management of Pan Am, and when that happened, this bill started on its way, so that is why I am asking the gentleman, when did the gentleman hear anything in the hearings about the Pan Am sale?

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

(On request of Mr. GROSS, and by unanimous consent, Mr. KEITH was allowed to proceed for 3 additional minutes.)

Mr. KEITH. Mr. Chairman, as the gentleman from Illinois (Mr. SPRINGER) said, we do not think these points are relevant in this legislation. The issue is that the Congress has created certain independent agencies which set guidelines for regulated industries to insure that they operate in the public interest; Pan Am happens to fall within the jurisdiction of these regulatory bodies. So do many other corporations.

Mr. ROGERS of Colorado. If the gentleman will yield further, was there any other company discussed in the hearings except Pan Am?

Mr. KEITH. I am not a member of the Transportation Subcommittee and accordingly did not attend the hearings.

Mr. ROGERS of Colorado. No reference is made to the other seven companies that had more than 10 percent?

Mr. KEITH. I think the chairman made the point, that those companies to which the gentleman referred did have to receive approval by the regulatory agencies prior to that stock being disposed of.

Mr. ROGERS of Colorado. That is because the stockholders elect the board of directors. This bill would prohibit the stockholders from electing a board of directors and taking over management without the approval of the CAB.

Mr. KEITH. These stockholders bought into this regulated company knowing it to be regulated as such and expected it to be regulated in the public interest as long as they were stockholders.

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

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

Mr. DINGELL. This bill was reported unanimously by the subcommittee and unanimously by the full committee. The gentleman from Colorado has indicated a very good reason why we were unanimous.

In fact, here we have a regulated industry. The question is, Do we want gamblers moving in on a regulated industry? The answer is "No."

The question is, Do we want people going in on regulated industries who are going to have interests other than the interests of providing the kinds of service the regulated industry is going to provide? The answer is "No."

Then the question is, How do we devolve a mechanism for preventing these kinds of circumstances from taking place? The answer is very simple. We have given the regulatory agency concerned a specific statutory direction to direct itself to this point and to see to it that these regulated industries not only function in the public interest but also that they are manned by boards of directors and by control which will assure that fact.

That is the reason this bill is before us today.

There was not a member of the subcommittee or of the full committee who did not want to go more broadly than this. The answer is that the jurisdiction of the subcommittee was involved in the handling of this matter, and it was limited to its jurisdiction.

The gentleman from Colorado ought to know something else which is quite important to this body. We have inquired with great care of the CAB to find out what the policy was. The CAB said it had no policy whatsoever. The subcommittee now gives them the policy which is enunciated in the public interest.

I thank the gentleman for yielding.

Mr. ROGERS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. KEITH. I yield to the gentleman from Colorado, if I have time remaining.

Mr. ROGERS of Colorado. The answer to the gentleman from Michigan is very simple. There was nobody here willing to admit they ever heard of the sale of the Pan American stock by Chase Manhattan.

As I make the allegation, it is only since that sale was perfected that they moved with dispatch and speed to move in to protect the now management.

There is another thing. Does the gentleman from Michigan or any member of this committee want to deny that the stockholders of the company have the right to elect the board of directors and to run the company?

Mr. DINGELL. Does the gentleman want an answer from me?

Mr. KEITH. Mr. Chairman, I should like to yield to the gentleman from Maryland to answer that question.

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

The question is on the amendment offered by the gentleman from West Virginia (Mr. STAGGERS).

The amendment was agreed to.

AMENDMENT OFFERED BY MR. ROGERS OF COLORADO

Mr. ROGERS of Colorado. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ROGERS of Colorado: On page 4, line 3, after "aeronautics," strike out "or any other person."

Mr. ROGERS of Colorado. Mr. Chairman, this is one of those simple little amendments. If it is passed it will completely annihilate the bill. I want to be frank about it.

We read in section 5, that is the law at the present time, so at the present time we prohibit air carriers or persons controlling an air carrier, or any other common carrier, or any other person engaged in any other phase of aeronautics, from going to the CAB and asking permission to take over the company. Now, that is those who are engaged in this kind of business and those who may have a certificate either from the ICC or the CAB.

Now you are expanding, and this is why special legislation is necessary. You are expanding this to include any other person. That means if I get 95 percent of the control of any airline and I elect a board of directors, before I can take over—and I am the other person now—before I can take over the management I must go down here and submit it to the CAB.

There is one other thing I should mention. This committee itself last year adopted a little piece of legislation giving to the SEC the right to demand of anyone having stock registered with them in excess of 10 percent—and the SEC under the law which we passed in the last session has this power—it gave the SEC the right to require and it will require any person who would like to take over to file their certificate of intention and thus divulge who the owners are.

If you are going to protect against gamblers, why do you not call on the SEC to perform its duty? When it performs its duty, if there is a bunch of gamblers there that are not protecting the interests of the certificate and are not giving any service, then they are exposed and the SEC can take action if it is wrong.

Therefore, Mr. Chairman, I suggest that my amendment should be adopted.

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

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

Mr. STAGGERS. I yield to the gentleman from Washington.

Mr. ADAMS. I might point out to the gentleman from Colorado in answer to the gentleman's last statement that on page 7 I asked specific questions of the commissioner and the representatives of the SEC as to whether they could control this matter. Their answer is that they could not.

Your amendment, which I oppose—and you are correct on it that it would take the heart out of the bill—would kill this bill. The precise reason why this is in the bill is that the prior language was in order to control the so-called horizontal monopoly situation where one airline carrier buys out another. Therefore you should be able to have CAB approval of it before that is done. This bill does expand it to say "any person." This is to control the new type of merger, the

monopoly caused by the conglomerate merger where we have these things happen.

I listened to the gentleman with great interest and to his comments about the Chase Manhattan Bank. We have been involved with the Chase Manhattan in the prior Hughes merger, which was not mentioned in this one at all.

This bill came from your part of the country. It happened because of Western Airlines and Mr. Kenhonian and his group in Las Vegas coming in and buying Western Airlines. Prior to that you had Mr. Hughes buying West Air. You had control of some of the largest airlines in the West in Las Vegas.

Mr. ROGERS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. ADAMS. I will be glad to yield in just a moment.

You had control of the major airlines going into the hands of people who have interests which are far different from that of operating an airline. We do not say that they cannot do it, but we are just saying that the regulatory agency of the United States that could originally say that you have been certificated or not certificated and you are qualified to run an airline or you are not qualified to run an airline should also be able to look at somebody who comes in and gets control by buying out stock rather than going in and applying for a certificate in the first instance.

Mr. Chairman, this is very, very compatible with the entire regulatory scheme that has been established in the United States. It is simply an effort to move in and use a new, highly sophisticated system of taking over control rather than buying the certificate. Therefore I oppose the amendment of the gentleman from Colorado. I think I have also answered why the SEC Commissioner cannot control these activities.

Mr. ROGERS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. STAGGERS. I yield to the gentleman from Colorado very briefly.

Mr. ROGERS of Colorado. I direct the gentleman's attention to page 33 of the hearings where the Commissioner, Mr. Owens, accompanied by Mr. Loomis, General Counsel, of the Securities and Exchange Commission, stated:

> Our responsibilities with respect to take-over efforts were recently increased when Congress enacted Public Law 90-439, effective July 29, 1968.

Under that, if you want to get any information, the SEC under this public law has a right to demand it and if they want to get it and get it from the Western Airlines or anyone who might want to take it over, you could do it under this procedure. Furthermore, you are talking about the domestic lines when you talk about this. However, when you talk about Pan Am, that is an overseas operation. It has no domestic connection whatsoever.

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

Mr. STAGGERS. I yield to the gentleman from Washington.

Mr. ADAMS. I want to say this, that the gentleman is not correct. The same is being considered for domestic lines in the United States, including cross-U.S. service.

Mr. ROGERS of Colorado. They do not now have a certificate, do they?

Mr. ADAMS. I cannot answer that question offhand but I will ask counsel for that information. I think they do now have it or at least they have applied for it. That is my information. Perhaps, they have received it.

On the second question which has been posed by the gentleman from Colorado, I asked this question of Mr. Loomis during the course of the hearings:

> In other words, who is going to bell the cat here? Is the SEC, the Department of Justice, or the individual regulatory agency?

Mr. Loomis replied:

> I would think insofar as regulated industries such as carriers and so forth are concerned, the agency which should have authority to determine whether a take-over should occur or should not occur would be the CAB or the ICC, rather than the SEC taking on a general responsibility to approve or disapprove take-overs.

In other words, that it should be done by the regulatory agencies and not by the SEC. He made it very clear that the SEC was not going to approve it.

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

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

Mr. DINGELL. I want to point out that the gentleman from Colorado keeps making arguments to the bill while trying to gut it. Perhaps the best point he has raised is that Pan Am is an international carrier and they are certified and protected by the antitrust laws.

Mr. ROGERS of Colorado. That is right.

Mr. DINGELL. What I say and I think the House will endorse this viewpoint is this: That with reference to an agency of this kind subject to antitrust laws, that the management should be reviewed by some agency of our Government to see who they are and to see whether they have a standing under the antitrust laws. Further, to see whether that acquisition is in the public interest and whether the airline once so managed or taken over is going to operate in the public interest or in the interest of a good transportation policy. That is the crux of the whole thing.

The CHAIRMAN. The time of the gentleman from West Virginia has expired.

(By unanimous consent, Mr. STAGGERS was allowed to proceed for 3 additional minutes.)

Mr. STAGGERS. Mr. Chairman, I hope this will end the debate on the bill. This amendment, if adopted, would completely defeat the purposes of the bill. The subcommittee held hearings for a long period of time and it came out of the committee unanimously. They heard all of these points both pro and con. We discussed it at some length before the full committee. It has the endorsement of the Bureau of the Budget, the Department of Transportation, the Department of Justice and so forth. In other words, there was no opposition to it. In my opinion this represents strong evidence that there is a need for the bill.

I would like to say briefly to the gentleman from Colorado that this is not special legislation. I am sure no member of this committee would try to do that.

Mr. Chairman, this is good legislation and I support it wholeheartedly and ask that the amendment be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Colorado (Mr. ROGERS).

The amendment was rejected.

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

The substitute committee 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. ICHORD, 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. 8261) to amend the Federal Aviation Act of 1958, as amended, and for other purposes, pursuant to House Resolution 474, 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 bill was passed.

A motion to reconsider was laid on the table.

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the Senate bill (S. 1373) to amend the Federal Aviation Act of 1958, as amended, and for other purposes, a bill similar to H.R. 8261 just passed by the House.

The Clerk read the title of the Senate bill.

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

Mr. KEITH. Mr. Speaker, reserving the right to object, I have been advised by a colleague that the Senate bill does differ from the bill just passed, substantially so as far as the retroactive feature is concerned.

Mr. STAGGERS. Mr. Speaker, the gentleman from Massachusetts, Mr. KEITH, is correct. There is a difference in the bill. And accordingly I will offer an amendment to substitute the language of the House bill after the enacting clause.

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

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

There was no objection.

The Clerk read the Senate bill, as follows:

S. 1373

Be it enacted by the Senate and House of Representatives of the United States of

America in Congress assembled, That the Federal Aviation Act of 1958, as amended, be further amended as follows:

(1) Section 407(b) is amended by adding the following additional sentence: "Any person owning, beneficially or as trustee, more than 5 per centum of any class of the capital stock or capital, as the case may be, of an air carrier shall submit annually, and at such other times as the Board may require, a description of the shares of stock or other interest owned by such person, and the amount thereof."

(2) Section 408 is amended by striking subsection 408(a)(5) in its entirety, and inserting in lieu thereof the following:

"(5) For any air carrier or person controlling an air carrier, any other common carrier, any person engaged in any other phase of aeronautics, or any other person to acquire control of any air carrier in any manner whatsoever: *Provided,* That the Board may by order exempt any acquisition from this requirement to the extent and for such periods as may be in the public interest;".

(3) Section 408(b) is amended by striking the period at the end thereof and adding a colon and by adding the following: *"Provided, further,* That in any case in which an order of approval is required hereunder only by reason of the requirements of section 408(a)(5), the Board may enter such order pursuant to such procedures as it by regulation may prescribe."

(4) Section 408 is further amended by adding the following new subsection 408(f):

"For the purposes of this section, any person owning beneficially 10 per centum or more of the voting securities or capital, as the case may be, of an air carrier shall be presumed to be in control of such air carrier unless the Board finds otherwise. As used herein, beneficial ownership of 10 per centum of the voting securities of a carrier means ownership of such amount of its outstanding voting securities as entitles the holder thereof to cast 10 per centum of the aggregate votes which the holders of all the outstanding voting securities of such carrier are entitled to cast."

SEC. 2. The amendments made by this Act shall be effective as of March 7, 1969: *Provided, however,* That no criminal penalties shall be applicable to any person who acquired control of an air carrier between March 7, 1969, and the actual date of enactment of these amendments.

AMENDMENT OFFERED BY MR. STAGGERS

Mr. STAGGERS. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. STAGGERS: Strike out all after the enacting clause of S. 1373, and insert in lieu thereof the provisions of H.R. 8261 as passed, as follows:

"That the Federal Aviation Act of 1958, as amended, is further amended as follows:

SECTION 1. Section 407(b) (49 U.S.C. 1377(b)) is amended by adding the following additional sentence: "Any person owning, beneficially or as trustee, more than 5 per centum of any class of the capital stock or capital, as the case may be, of an air carrier shall submit annually, and at such other times as the Board may require, a description of the shares of stock or other interest owned by such person, and the amount thereof.".

"SEC. 2. Section 408 (49 U.S.C. 1378) is amended by striking subsection 408(a)(5) in its entirety, and inserting in lieu thereof the following:

"'(5) For any air carrier or person controlling an air carrier, any other common carrier, or any person engaged in any other phase of aeronautics, or any other person, to acquire control of any air carrier in any manner whatsoever: *Provided,* That the Board may by order exempt any such acquisition of a noncertificated air carrier from this requirement to the extent and for such periods as may be in the public interest;'.

"SEC. 3. (a) Section 408 is further amended by deleting the first sentence of subsection 408(b) and substituting in lieu thereof the following: 'Any person seeking approval of a consolidation, merger, purchase, lease, operating contract, or acquisition of control, specified in subsection (a) of this section, shall present an application to the Board, and thereupon the Board shall notify the persons involved in the consolidation, merger, purchase, lease, operating contract, or acquisition of control, other persons known to have a substantial interest in the proceeding, and the Attorney General of the time and place of a public hearing.'

"(b) Section 408 is further amended by inserting in the third proviso of subsection 408(b) after the words 'determines that no person disclosing a substantial interest' the following: 'or the Attorney General'.

"SEC. 4. (a) Section 408 is further amended by adding the following new subsection 408(f):

"'Presumption of control

"'(f) For the purposes of this section, any person owning beneficially 10 per centum or more of any class of the capital stock or capital of an air carrier shall be presumed to be in control of such air carrier unless the Board finds otherwise.'

"(b) That portion of the table of contents contained in the first section of the Federal Aviation Act of 1958 which appears under the heading 'SEC. 408. Consolidation, merger, and acquisition of control.' is amended by adding at the end thereof the following: '(f) Presumption of control.'

"'SEC. 5. The provisions of this Act shall take effect on the date of the enactment of this Act.'"

The amendment was agreed to.

The Senate 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.

A similar House bill (H.R. 8261) was laid on the table.

GENERAL LEAVE

Mr. STAGGERS. 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 West Virginia?

There was no objection.

LEGISLATIVE PROGRAM

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

Mr. GERALD R. FORD. Mr. Speaker, I have taken this time for the purpose of asking the distinguished majority leader the program for the remainder of the week, and the schedule for next week.

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

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

Mr. ALBERT. Mr. Speaker, in response to the inquiry of the distinguished minority leader, we have finished the legislative business for this week, and we will ask to go over until Monday.

Monday is Consent Calendar day, and there are four suspensions:

H.R. 11651, temporary emergency assistance to provide nutritious meals to needy children;

H.R. 10987, to extend National Commission on Product Safety;

H.R. 11609, to authorize the construction of an entrance road at Great Smoky Mountains National Park, N.C.; and

H.R. 11363, to prevent the importation of endangered species of fish or wildlife into the United States.

Tuesday, H.R. 12781, Department of the Interior and related agencies appropriation bill, fiscal year 1970.

Wednesday, H.R. 9825, civil service retirement financing and benefits, with an open rule, 2 hours of debate.

Thursday and the balance of the week, the Departments of State, Justice, Commerce, the judiciary, and related agencies appropriation bill, fiscal year 1970; and

H.R. 2, separate Federal Credit Union Agency, with an open rule and 1 hour of debate.

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

Mr. GERALD R. FORD. I thank the gentleman.

ADJOURNMENT TO MONDAY, JULY 21, 1969

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

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

There was no objection.

DISPENSING WITH BUSINESS IN ORDER UNDER THE CALENDAR WEDNESDAY RULE ON WEDNESDAY NEXT

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

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

There was no objection.

COUNCIL ON ENVIRONMENTAL QUALITY

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

Mr. OBEY. Mr. Speaker, I am today introducing legislation to establish a Council on Environmental Quality.

By the introduction of this legislation, I join with an increasing number of my colleagues both in the House of Representatives and the U.S. Senate, who believe that serious attention and increased importance must be given to the preservation of our environment.

The bill would establish a Council on Environmental Quality within the Office

of the President. The council would direct itself solely to the task of protecting and insuring a quality environment for all Americans.

It is alarming to realize that efforts to protect our environment have, unfortunately, not been afforded the attention they so urgently need within the appropriate agencies of our Government. At a time when many agencies and departments base their policy decisions purely on economic or political considerations, one cannot overemphasize the need for a concentrated attack against the threats which exist to our environment.

The council which this bill proposes would have as its only task, focusing attention on the environmental consequences of the everyday decisions and policies of other departments and levels of government.

It is because I believe that a direct focus of attention on environmental problems is so critically important, that I am today introducing this bill, the text of which follows:

H.R. 12928

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Fish and Wildlife Coordination Act is amended by redesignating section 5A as section 5B and by inserting immediately after section 5 the following new section:

"SEC. 5A. (a) The Congress, recognizing the profound impact of man's activity on the interrelations of all components of the natural environment, both living and nonliving, and the critical importance of restoring and maintaining environmental quality to the overall welfare and development of man, declares that it is the continuing policy of the Federal Government, in cooperation with State and local governments, urban and rural planners, industry, labor, agriculture, science, and conservation organizations, to use all practicable means and measures, including financial and technical assistance, in a manner calculated to foster and promote the general welfare, to create and maintain conditions under which man and nature can exist in productive harmony, and fulfill the social, economic, and other requirements of present and future generations of Americans.

"(b) The President shall transmit to the Congress annually beginning June 30, 1970, an Environmental Quality Report (hereinafter referred to as the 'report') which shall set forth (1) the status and condition of the major natural, manmade, or altered environmental classes of the Nation, including, but not limited to, the air, the aquatic, including marine, estuarine, and fresh water, and the terrestrial environment, including, but not limited to, the forest, dryland, wetland, range, urban, suburban, and rural environment; and (2) current and foreseeable trends in management and utilization of such environments and the effects of those trends on the social, economic, and other requirements of the Nation.

"(c)(1) There is created in the Executive Office of the President a Council on Environmental Quality (hereafter referred to as the "Council"). The Council shall be composed of five members who shall be appointed by the President, by and with the advice and consent of the Senate, one of whom the President shall designate as chairman, and each of whom shall be a person who, as a result of his training, experience, and attainments, is exceptionally qualified to analyze and interpret environmental information of all kinds, to appraise programs and activities of the Government in the light of the policy set forth in subsection (a) of this section, and to formulate and recommend national policy to promote the improvement of our environmental quality.

"(2) The Council may employ such officers and employees as may be necessary to carry out its functions under this Act. In addition, the Council may employ and fix the compensation of such experts and consultants as may be necessary for the carrying out of its functions under this section, in accordance with section 3109 of title 5, United States Code (but without regard to the last sentence thereof).

"(3) It shall be the duty and function of the Council—

"(A) to assist and advise the President in the preparation of the Environmental Quality Report;

"(B) to gather timely and authoritative information concerning the conditions and trends in environmental qualities both current and prospective, to analyze and interpret such information for the purpose of determining whether such conditions and trends are interfering, or are likely to interfere, with the achievement of the policy set forth in subsection (a) of this section, and to compile and submit to the President studies relating to such conditions and trends;

"(C) to appraise the various programs and activities of the Federal Government in the light of the policy set forth in subsection (a) of this section for the purpose of determining the extent to which such programs and activities are contributing to the achievement of such policy, and to make recommendations to the President with respect thereto;

"(D) to develop and recommend to the President national policies to foster and promote the improvement of environmental quality to meet social, economic, and other requirements of the Nation; and

"(E) to make and furnish such studies, reports thereon, and recommendations with respect to matters of policy and legislation as the President may request.

"(4) The Council shall make an annual report to the President in May of each year.

"(5) In exercising its powers, functions, and duties under this section—

"(A) the Council shall consult with such representatives of science, industry, agriculture, labor, conservation, organizations, State and local governments, and other groups, as it deems advisable; and

"(B) the Council shall, to the fullest extent possible, utilize the services, facilities, and information (including statistical information) of public and private agencies and organizations, and individuals, in order that duplication of effort and expense may be avoided."

SEC. 2. (a) Section 5313 of title 5, United States Code, is amended by adding at the end thereof the following:

"(20) Chairman, Council of Environmental Quality."

(b) Section 5315 of title 5, United States Code, is amended by adding, at the end thereof, the following:

"(92) Members, Council on Environmental Quality."

SCIENCE OF SURVIVAL

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

Mr. POAGE. Mr. Speaker, I wish to call the attention of the House to a most important meeting which will be held in Washington next year, on August 9 to 14, 1970, the Third International Congress of Food Science and Technology.

The Congress has named this meeting, SOS/70, which stands for "science of survival." The more than 3,000 food scientists and technologists who will attend this meeting will concern themselves with the grave problems of hunger, famine, and acute malnutrition which plague millions and millions over the world.

Within the past 2 or 3 years, talk of world hunger has been somewhat muted in the United States. For one thing, strains of wheat and rice have been developed for use in India and other food deficit countries which are highly productive when compared to strains previously used. The weather in India, Pakistan, Algeria, and other countries threatened by famine has been better.

I have tried, time and time again, to emphasize the importance of the efficiency and productivity of American agriculture. Since World War II, we have maintained the food reserves of the world and we have given food from these reserves worth billions of dollars to nations in need. If we had not had these reserves on hand and had not dispensed them liberally and generously, famines raging like forest fires would have killed millions of people and would have brought political chaos in many countries. Political chaos resulting from hunger and famine would have greatly enhanced the strength of the Communists in the countries where upheaval and tumult prevailed.

The efficiency and productivity of American agriculture also gives our people food cheaper, in comparison, than food in any other major country. Nevertheless, it is exceedingly difficult, in this inflationary period, to get the consumers to accept this fact. Also, with the decline in rural population, the political influence of the farmers also has declined. Inevitably, most urban Congressmen are busy with their own affairs and few have time to study agricultural problems carefully.

The Department of Agriculture is a cosponsor of the Food Congress, which I hope will help to acquaint the Congress and the public with the agricultural situation over the world.

Furthermore, it should serve as the vehicle to better acquaint consumers with the veritable revolution in food preparation and utilization which scientists and technologists have brought about. The life of our housewives today is in most dramatic contrast with the life of the housewives only a few generations ago. Then, on the farm and in the cities, women had to spend long hours of drudgery in the preparation and cooking of food.

The food technologists and scientists literally have freed most of the women of this country from a form of slavery, necessitated by the lack of conveniences and resources which have now been assembled by our food industries. Nor can we overlook the accomplishments of the food scientists and technologists. They have brought about a vast transformation in living habits in the United States and other countries. This Congress will

bring these achievements together, and will bring them to the attention of the world.

SEARCH FOR HONORABLE CONCLUSION OF WAR IN VIETNAM

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

Mr. KLEPPE. Mr. Speaker, today the eyes of the world are upon Apollo 11, while the prayers of countless millions ride with the three brave Americans on their journey to the moon. Successful completion of this mission will represent a giant step in man's pursuit of scientific knowledge.

Meanwhile, here on earth, the quest for peace—for an early and honorable conclusion of the war in Vietnam—continues to present perhaps even more difficult challenges than those confronting the men of Apollo 11.

Again and again, President Nixon has made clear his willingness to walk the extra mile toward a solution in Vietnam. Again and again, the other side has indicated its determination not to budge even a single inch.

I would review briefly the steps the United States has taken to effect a settlement:

First. Prior to January 20, we halted the bombing of North Vietnam and agreed to sit down at the conference table with the National Liberation Front, 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, South Vietnam President Thieu offered to meet with the NLF for private talks, without preconditions, on a political settlement.

Fourth. On May 14, with Thieu's support, President Nixon 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.

All of these conciliatory moves by the United States and the South Vietnamese Government have been greeted by Hanoi and its representatives at the Paris peace talks either with stony silence or violent denunciation.

It may well be that the Communists believe they have only to sit tight and wait for the United States to "cut and run." They must follow, with at least some satisfaction, the mounting attacks here at home on the continuing American military presence in Vietnam. They may believe that the United States is tired, weak willed, and hopelessly divided.

They hear demands for unilateral withdrawal now from some of the very men who were a part of the preceding administration when the big buildup of U.S. military forces was taking place. One wonders why these experts did not speak out then.

I do not believe the voice of despair is the voice of the American people.

I think President Nixon has the support of most Americans in his quest for an honorable peace. But I do not believe that most Americans want peace at any price—peace under terms dictated entirely by the Communists.

A few weeks ago, I conducted a poll on the Vietnam question in my district. More than 7,500 persons responded, a number far larger than the professional pollsters query in their nationwide samplings of public opinion. I asked the people which alternatives they would favor "if the Paris peace talks fail to produce agreement leading to at least some disengagement in Vietnam within the next few months."

Ten percent favored "withdrawal of U.S. military forces from Vietnam, even though this might mean a Communist takeover."

"Withdrawing U.S. troops as rapidly as they can be replaced with South Vietnamese forces" was selected by 47 percent as the best course.

Thirty-nine percent favored "an all-out offensive against North Vietnam, utilizing full available military power, short of nuclear weapons, in an effort to win a clear-cut victory."

Only 4 percent were undecided.

Certainly these responses reflect no great support for a "cut and run" policy. And I suspect that public sentiment in most congressional districts across the country is not greatly different from what it is in mine.

President Nixon has not yet had quite 6 months to solve a problem which was many years in the making. For the first time since 1960, the number of American troops in Vietnam is being decreased, rather than increased. A sure and swift route toward peace has been opened to the other side.

The time has come for the Communists to show some willingness to negotiate seriously—to show some evidence of good faith.

I believe the possibility of achieving at least the beginning of a settlement would be enormously improved if a few individuals here in the United States would voluntarily stifle their shrill cries of dissent long enough to let the Communists know that these United States are united in their determination to obtain a just and honorable peace in Vietnam.

VOTERS OVERWHELMINGLY FAVOR INSTALLATION OF ABM SYSTEM

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

Mr. DENNIS. Mr. Speaker, I have recently sent out a questionnaire to voters in my district, as we do from time to time. One of the questions I asked the people in my area on that questionnaire was with regard to deployment of an ABM defense system. I gave them three choices: First, that we should begin deployment of the safeguard system, starting with two installations, as recommended by the President; second, that we should undertake research and development only, possibly including experimental radar but without the installation of any antiballistic missiles; and, third, that the ABM should be abandoned entirely.

I consider it of some interest to report that 60.3 percent of the people who have so far replied to my questionnaire stated we should install two safeguard systems at the present time, according to the plan recommended by President Nixon. An additional 21.7 percent thought we should proceed with research and development and installation of radar. Only 18 percent answered that the project ought to be abandoned.

In other words, a solid 60 percent voted for the President's plan and 82 percent voted for at least some form of installation of an ABM system at this time.

I consider the matter of interest, because I believe my district—seven counties along the Indiana-Ohio line, balanced between industry and agriculture—is a very typical Midwestern and Indiana area. If it varies from the norm at all, it would not be in favor of militarism but rather the other way, because we have three institutions of higher learning, two of them church connected, and a very strong Quaker influence throughout the entire area.

It is, therefore, my submission that Members of the other body who are now locked in debate on this subject, and particularly perhaps the distinguished Members of that body from the State of Indiana, should pay some heed to the voice of the people who are apparently strongly in favor of the President's position on the ABM.

STOP THE FEELTHY PICTURES

(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, today I am introducing further legislation to protect minors from the onslaught of pornographic materials. Publishers of obscene materials simply ignore the rising indignation of the public about the shocking increase in this slimy traffic. Our people are looking to their officials to put a stop to this flagrant abuse of freedom of communication. The publishers and peddlers of pornography know the popular revulsion but they have shown nothing but contempt for public concern for the moral well being of our youth. All indicators show that the flow of pornographic materials has increased, and publishers have expanded their disregard for any standards of decency in the materials they print and peddle. The money that is being made in this vile traffic staggers the imagination.

The first of the three bills I am intro-

ducing today makes it illegal to mail or transport in interstate commerce matter which is offensive to prevailing community standards concerning materials suitable for minors and which is without any redeeming social value for minors. Minors are defined to be persons under 18 years of age. Under my bill, a person convicted of violating the provisions against mailing or transporting obscene materials in interstate commerce will be fined up to $50,000 and/or imprisoned up to 5 years for a first offense. A second offender can be fined up to $100,000 and/or imprisoned for 10 years.

The second bill I am introducing today punishes persons who knowingly transport in interstate commerce, or who mail, any advertisement or solicitation designed or intended to appeal to a prurient interest in sex. While this is also intended as a protection for minors, its provisions are not limited by the age of the audience, but only by the content of the advertisement or solicitation. A person who violates the provision of this measure will be subject to a $50,000 fine and/or 5 years in jail for a first offense, and a $100,000 fine and/or 10 years in jail for a second offense.

The third bill I am introducing permits a person to file with the Postmaster General a statement that he desires to receive no sexually orientated advertisements. The bill prohibits any person from mailing any sexually orientated materials to any person whose name and address has been on the Postmaster's list for more than 30 days. A person violating the provisions of this bill will be subject to a fine of $5,000 and/or 5 years' imprisonment for a first offense, and a $10,000 and/or 10 years for a second offense. Enforcement of the provisions of this bill would bring welcome relief to persons whose names have been included against their will on an unscrupulous publisher's mailing list. By registering with the Postmaster General, persons can maintain their right to privacy and even more important, protect their children from exposure to obscene materials.

I believe that prohibitions and penalties in my bills are sufficiently stringent to slow the pace of the current flouting of standards of minimum decency by money-hungry and calculating publishers. If enacted into law, the bills will afford some protection to the public from affronts to their sensibilities caused by the receipt of pornographic materials.

Earlier this year I introduced H.R. 11090, a bill to strengthen the antiobscenity laws in order to protect minors against the distribution or sale of obscene materials through the mails or interstate commerce. That bill is directed against publishers who mail obscene materials to minors or publish the materials knowing that they will be sent to minors. It requires a publisher of pornographic materials to clearly label the cover of such mail as obscene, and forbids the delivery of labeled materials to minors. A person violating the provisions of the bill is subject to a $5,000 fine and 10 years in jail.

The bills I am introducing today are good adjuncts to H.R. 11090, and taken together the package of bills will provide law-enforcement officials with sturdy and effective weapons to meet and halt the illicit traffic in pornographic materials. Because of the hypertechnicality of our courts in these matters, prosecution has become increasingly difficult and pornographers are plying their trade under the protection of constitutional guarantees that were meant for other purposes. However, these bills should provide further legal tools for the efforts of our law-enforcement agencies. Whatever the sharpness of the legislation scalpel needed to cut out this cancerous growth, the Congress must take immediate and adequate steps to provide our officials with it.

ROGERS INTRODUCES BILL TO EXTEND CLEAN AIR ACT FOR 3 YEARS

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

Mr. ROGERS of Florida. Mr. Speaker, I am today introducing legislation which would extend the Clean Air Act, as amended by the Air Quality Act of 1967, for 3 additional years. The present law expires on June 30, 1970.

I am proposing that the authorized appropriations to carry out the provisions of the act be $100 million for fiscal year 1971, $125 million for fiscal year 1972, and $150 million for fiscal year 1973.

I am also proposing to extend for the same period of time the separate authorization for appropriations for section 104 of the act for research relations to fuels and vehicles. This section of the law actually expired on June 30 of this year, but the other body has already passed a 1-year extension of this section, and the House, will within the next week or two, also have an opportunity to consider a 1-year extension of section 104. I would hope that the House will approve the measure and, assuming approval, I am proposing that authorized appropriations for section 104 for 3 more years be $25 million for fiscal year 1971, $35 million for fiscal year 1972, and $50 million for fiscal year 1973.

Mr. Speaker, I am not at this time proposing any major changes in the law, but rather seek to bring to the attention of my colleagues that this very important legislation will expire this present fiscal year and that we need to get moving after the August recess to hold hearings, and I would hope that extension of the law could be accomplished before adjournment this session. If it is not, then technically the law could very well be excluded from the President's budget for fiscal year 1971.

I am not proposing major changes in the law primarily because the States and the National Air Pollution Control Administration are yet in the initial planning stages to implement the amendments to the Clean Air Act provided by the Air Quality Act of 1967. The legislation of 1967 offered significant changes in the law of 1963 which first gave the Federal Government regulatory authority to abate interstate air pollution problems and for the awarding of Federal funds to encourage the development of regulatory control programs at the State and local levels.

Among some of the significant amendments of 1967 were: authorization of financial support of air quality planning programs set up by Governors to recommend air quality standards and implementation plans for interstate air quality control regions designated by the Secretary of Health, Education, and Welfare; preservation of the rights of States, political subdivisions and intermunicipal or interstate agencies to adopt and implement programs which will achieve a higher level of air quality than approved by the Secretary; provision for a study of the need for and effect of national emission standards for stationary sources of air pollution and a report to the Congress within 2 years, and requiring reevaluation of air quality criteria issued prior to enactment of 1967 amendments, and if necessary, revisions and reissuance of such criteria.

Moreover, pursuant to the Air Quality Act of 1967, the Department of Health, Education, and Welfare must designate air quality control regions and issue air quality criteria and reports on control techniques. State governments then are expected to establish air quality standards for the air quality control regions and to adopt plans for implementation of the standards. This program is just now beginning to take shape.

To date, the Secretary of Health, Education, and Welfare has designated 13 air quality control regions: National Capital, New York, Chicago, Philadelphia, Denver, Los Angeles, St. Louis, Boston, San Francisco, Pittsburgh, Buffalo, Cincinnati, and Cleveland.

Five other regions are proposed: Kansas City, Hartford-Springfield, Minneapolis-St. Paul, Baltimore, and Indianapolis.

By the summer of 1970 a total of 57 air quality control regions are expected to have been designated. In addition, the National Air Pollution Control Administration reports that air quality criteria for sulfur oxides and particulate matter—two of the most common types of urban air pollutants—were issued in February of this year. Criteria for other pollutants such as carbon monoxide, photoreactive organic compounds, oxidants, nitrogen oxides, and others will be issued within the next 2 years.

The progress we are making to improve the quality of the air we breathe is moving—but slowly—and I feel that the Subcommittee on Public Health and Welfare needs to hold hearings on this problem. At the time, as a member of the subcommittee, I intend to closely review the accomplishments made with a particular emphasis on possible amendments to hasten our efforts to clean up the air about us.

I know, for example, that the National Air Pollution Control Administration has not had the necessary manpower to move as quickly as it would have liked to implement amendments. Too, we may be giving the States too much time to gear up for meaningful controls within the designated air quality regions. Under the law, the States have 90 days to file a letter of intent to set up air quality control standards for any portion of an air quality control region lying within its

boundaries following publication of air quality criteria by the Department of Health, Education, and Welfare. The States would then have 180 days after the filing of such letter to set such standards and then another 180 days to develop plans for implementing the standards.

Thus, for voluntary compliance with the act, the States have 15 months from the date of regional designation to come up with standards and a plan for implementing the standards, assuming HEW air quality criteria have been issued. Since the first criteria were issued in February of this year, some States will have until 1972 to come up with implementation plans, and these plans only have to show a reasonable time for meeting the standards. Moreover, this does not even get into the matter of enforcing the standards within the region, and the eventual enforcement, if necessary, by the Federal Government, which could take another 6 months just to begin.

These are just some of the matters that I would like to go into as we review this law.

Mr. Speaker, at no time in our history have we been faced with such a menacing problem as confronts us with the pollution of our air. There is evidence that air pollution contributes greatly to respiratory diseases such as tuberculosis, influenza, and pneumonia.

There is not a single major metropolitan area in the United States that does not have an air pollution problem. There are few places, if any, where control efforts are adequate to deal with the problems that already exist, let alone the much greater problems that lie ahead. All the trends that contribute to growth of air pollution problems are rising.

By 1980 the Nation's urban population will be one-third greater; the number of motor vehicles in use will increase by 40 percent; and demands for energy will be 50 percent higher.

I am hopeful that hearings can be scheduled soon after the August recess in order that we can review our accomplishments, and make any necessary adjustments as we chart the future course toward cleaner air for all.

A TRIBUTE TO THE HONORABLE H. R. GROSS OF IOWA

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

Mr. HALL. Mr. Speaker, I rise today to give comment to remarks which can only be described as "slurring" made against a distinguished Member of this body, last July 10, 1969.

Understand that I said comment, not defend, because the motives and integrity of H. R. GROSS, of Iowa has never been in doubt.

The remarks to which I refer were made on the occasion of the objection, by the Member from Iowa, to the unanimous-consent request that the House adjourn on Wednesday, the 16th of July, to attend the launching of Apollo 11.

The remarks had to do with—if my memory serves me correctly—the gentleman from Iowa lifting his sights above the cornstalks, his sour grapes attitude and his poor sportsmanship.

Mr. Speaker, let me say to this body, that anyone who has ever visited the cornfields of the great State of Iowa with H. R. GROSS has truly beheld a glorious sight, for there, the perfectly parallel rows of corn, would give anyone who worked the field the uncanny ability to look straight ahead with an unwavering eye and realize that slipshod planting, or lack of care, could not help but result in a poor harvest.

As one looks up between the tall stalks of corn, he is captivated by the clear blue Iowa skies, dominated only by the bright and glorious sun which makes him realize that, contrary to the notions of some, we all have the God-given right to think for ourselves, whether we use it or not. At the same time, the coloring given to the trunk and leaves of the stalk, by the chlorophyll it contains, makes one recognize that there are a considerable number of dyed-in-the-wool greenhorns, who really have no idea of why they are here, what it is all about, or the fallacy of artificial use of dyes and coloring.

As to the sour grapes, I do not believe that the distinguished Member from Iowa either raises, stomps, or boycotts them, but I can assure you, that his sportsmanship is of the highest caliber, a "must" for anyone who would participate in any kind of activity in the great State of Iowa, whether it be sporting events or debates.

Mr. Speaker, H. R. GROSS' concern for the taxpayers of this Nation has been entered in the records of this Chamber for over 20 years. It is there to be read by anyone who would doubt or defile his intentions. It is an honor to serve with him, and a credit to this body that he has the courage to speak out and let the chips fall where they may.

HISTORIC BLASTOFF OF APOLLO 11

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

Mr. LLOYD. Mr. Speaker, yesterday, as a member of the U.S. House delegation accompanying members of the Korean Parliament visiting the United States, I was privileged to witness the historic blastoff of Apollo 11 which, if successful, will land the first human beings on the moon this Sunday, July 20.

We went to Cape Kennedy the previous day and had the opportunity to see the general area in broad perspective and toured through the vertical assembly building where the Saturn V was assembled. In this huge building, said to be the largest building in the world, approximately one and one-half times the size of the Pentagon, for example, was demonstrated the culmination to this point in history of the scientific and mechanical genius of man in the development of space exploration.

The blastoff itself on a hot Florida morning, we viewed from a distance of 3 miles, along with the others assembled in the bleachers and on the field, resembling somewhat the American scene at a State fair. But what was to follow was unforgettable. On returning to Washington, and contemplating the experience, I watched the television report which included the statement of Eric Sevareid, familiar journalist for whom the morning had also been a first-time experience. The words he expressed were also an expression of my own experience. As questioned by Walter Cronkite, Mr. Sevareid said:

CRONKITE. I'm so glad you could get down for this historic occasion. It's only right that you should be here. You've seen so many of the historic moments in your distinguished reporting career. But I believe this is your first launch?

SEVAREID. It is. The launch itself already seems hours and days away in the past; so much has happened. I've seen it only through the eyes of the television camera before, Walter. You see it that way, you can hear much of it, but you can't feel it. When you stand out there, on the ground, just with the naked eye to see this thing, this is really a, a religious experience, which you watch as a biblical scene. The ground really trembles; the air hits you in the face. And all that flame that comes out of the motors is a whole ocean of flame. The clouds on both sides of the Apollo 11 are like atomic mushroom clouds. There's that column of fire, supporting this thing so delicately, and that turns into a plume, and finally it disappears into the clouds like a, like a feathered dart. There's a reverential feeling in the crowd out here when this happened. There wasn't any shouting that I heard. When it was up and gone, there was a few, a little bit of hand clapping, and a lot of people wiping tears away. A sense of relief, and of course a sense of relief for the safety of those three frail mortals in that craft that has vanished in the skies. That's what people were thinking of, these men, braced in straps and metal, and I suppose you could say, Walter, embraced in that iron embrace of the sense of duty and purpose. And there is a, a gratitude, a thanksgiving, really a reverential sensation to watch this.

CRONKITE. This, and it affects, it affects all, all walks, all types, all the people out here, workers who have been with the program from the very beginning, and the newcomer who has never seen it before. And it doesn't stop, either, Eric. It's not a first time experience. There's something about this, as you suggest, that, with every liftoff, with man going out there to the heavens.

SEVAREID. All the—all the arguments, sociological arguments, philosophical arguments, you've heard and thought about for weeks and months and years, should we do this or something else. Somehow they vanish in a cloud of smoke. This can be done and therefore it's done. There really isn't any argument about it.

SETTLEMENT OF VIETNAM WAR IS PRESIDENT'S NO. 1 TASK

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

Mr. DELLENBACK. Mr. Speaker, President Nixon, since taking office last January, has fulfilled his pledge made a year ago that, if elected President of the United States, he would make the settlement of the war in Vietnam his No. 1 task and dedicate his best energies toward such settlement.

His hoped-for goal—and indeed the hoped-for goal of the Nation—of an

early and sound peace has not yet been achieved. This we all regret. But we should not let that regret blot out an objective evaluation of the strides that have been made in the direction of such a peace.

President Nixon has kept in constant touch with our negotiators in Paris—he traveled to Paris and discussed the problem on the scene—our civilian and military leaders in Southeast Asia—his conference at Midway enabled him to review the situation with them personally—and with Congress. His close working relationship with the Government of South Vietnam has had a great deal of influence on that Government's attitude during the negotiations. Certainly President Thieu's concessions of late are, in part at least, direct offshoots of that relationship.

Unfortunately all the concessions seem to be coming from only our side of the conference table. But there have been and still are rays of hope which could eventually lead to a settlement. Our President is pursuing these to the utmost. I am sure it is frustrating for him not to be able to open all the records and tell all Americans each and every detail involved in the negotiations. Needless to say, for countless and understandable reasons this is an impossibility, and to do so could well hinder and hurt our chances for ultimate success. But, to a substantial degree, he has reported to the American people on what we've done and where we are going, and I commend him for this.

President Nixon is not grabbing for straws in the wind, nor is he willing to succumb to the many pressures exerted on him and exude false hope. He is moving cautiously, deliberately, paying attention to detail and doing his very best to make sure that when the puzzle is put together it will not fall apart. This is the delicate part of diplomacy, something too few people understand. On certain critical points our President has moved boldly, as evidenced by such actions as our recent troop withdrawals, improving the capabilities of our South Vietnamese allies, and hard pushing for free elections as soon as possible.

This is a crucial time in the history of our country. Peace could be at hand—if all the ingredients are at hand for making that peace. Certainly one of those ingredients is united support for our President as he struggles to see it through. I think that the other side truly believes that this ingredient is missing. I suggest that this is one of the reasons for the other side's refusal to sit at the conference table in the spirit of compromise.

President Nixon has acknowledged his own responsibility for conducting negotiations on behalf of America and for implementing those actions which seem most soundly calculated to bring success in our national reach for the goal of an early and sound peace in Vietnam. So long as he is moving with dedication and soundness in that direction he deserves the full support of each of us.

I call on all Americans to recognize: First, that our President is carrying out his pledge to resolve this conflict as soon as soundly possible; second, that there are signs of meaningful progress along the way; and, third, that patience and confidence are two ingredients which must go into the whole process of negotiation if we are to see a free and peaceful Vietnam.

If we are to succeed, the Nation must remain united behind our President. President Nixon's actions and conduct to date deserve our support.

THE EMERGENCY DETENTION ACT OF 1950

(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 have joined several of my colleagues in calling for repeal of title II of the Internal Security Act of 1950. This provision allows for the establishment of emergency detention camps, and gives the President of the United States the power to declare an "internal security emergency." In such an emergency the Attorney General could detain anyone he "believes" will "probably" engage in, or "probably" conspire to engage in, sabotage.

I favor repeal of title II because it is dangerous, unnecessary, and destructive of confidence in our political system.

The dangers of a provision such as this are obvious; they were obvious to President Truman, who vetoed the act in 1950. Title II is broad and vague, a horrible potential tool, characteristic of a totalitarian society. The President may declare an internal security emergency in the event of domestic insurrection "in aid of a foreign enemy; but the line between domestic protest and foreign-inspired insurrection is often unclear and further blurred by protesting groups themselves.

Once the emergency is declared, the Attorney General may apprehend and detain each person whom he has "reasonable ground" to believe will "probably" engage in, or conspire to engage in, espionage. But what do these vague phrases mean? Do they mean that an American disgrace such as the detention of the Japanese-Americans during World War II can recur? Yes, the act is designed to specifically sanction such actions; experience should have taught us to avoid such abusive and broad blunders.

And once apprehended, the detainee has no meaningful rights of appeal; he cannot examine information against him if the Attorney General believes the evidence would expose the accusing agents. The burden of proof is on the detainee.

By no far stretch of the imagination, then, this provision fits into the repertoire of a police state, a totalitarian system we all wish to avoid.

But is it foreseeable that a situation might arise where it would be necessary to suspend constitutional rights, as when martial law is declared? Yes; and as in Hawaii during World War II, martial law might then be declared; but a system of incarceration of a minority for suspected political belief or inclination should not be established. We have laws and constitutional provisions to deal with treason.

Heinous as the potential of the Internal Security Act of 1950 is, it has never been invoked. We might consider it merely as a disused, harmless pecularity of the law. But we cannot, the need for repeal is urgent because of the sensitive situation of minorities in this country today.

We must realize that certain political and racial groups have lost faith in much of our political system. On the campuses and in the ghettos, there is an alarming barrier of belief; this is too well exemplified by the current fear that concentration camps have been readied to be filled with dissidents. Despite repeated Government denials, the belief continues that, on this question, we are both dishonest and repressive.

I suggest that we show our good faith to them and to the whole country, in reaffirming American freedoms, guarantees, and integrity by repeal of title II.

LOCAL NO. 5 OF THE BRICKLAYERS' & MASONS' INTERNATIONAL UNION CELEBRATES ITS 100TH ANNIVERSARY

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

Mr. FEIGHAN. Mr. Speaker, 1969 marks the 100th anniversary of local No. 5 of the Bricklayers' & Masons' International Union which is located in my congressional district. They can well be proud of 100 years of dedicated service to their members and significant contributions to the residents of the Greater Cleveland community. Homes, commercial buildings, churches, and other structures are an enduring monument to the master craftsmanship of local 5's members. The high level of workmanship characteristic of every job undertaken by local 5 is well recognized throughout the Greater Cleveland area.

Local 5 also has earned the admiration of many through the outstanding services it offers to its membership. Benefits have a long history in Cleveland local No. 5. In 1908, a death benefit group was formed known as the Cleveland Bricklayers' Benevolent Association. In the ensuing years, the local union has expanded its benefit programs in a continuing effort to accommodate the various needs of its members. Today, local 5 has three exceptional benefit plans—the health and welfare plan, the pension plan, and the vacation and savings plan. These plans clearly demonstrate the depth of the commitment the local union has to its membership. From the time a man commences union membership until demise, the union programs offer the member and his family security.

Local 5 provides aditional services to its members. The Bricklayers' credit union was inaugurated in 1954. The ability to borrow money through this organization has proven to be most advantageous to the members of the local union.

The Bricklayers' apprentice program in Cleveland has served as an example for numerous similar programs throughout the country. It has been in existence

for 48 years and during that lengthy period acquired a reputation for producing exceptionally capable craftsmen.

Members of local 5 have frequently been selected for executive positions with the International Union of Bricklayers and Masons as well as in the Building Trades Council. Just to mention a few, George King was chosen general treasurer of the international union in 1960 and elevated to the office of first vice president in 1966. Martin Graham was elected secretary-treasurer of the Ohio State Building Trades Council in 1963 and is presently the representative of all building trades unions of Ohio before the Ohio Legislature. In the past Gus Mencke, Al Taubman, and John Mulligan all began with local 5 and eventually became vice presidents of the international union.

In 1906 the Ohio State conference was established under the direction of the international union. John W. Jockel was elected secretary-treasurer and was a dominant figure in the conference until his death in 1951. Tom Davis then assumed this role and still maintains the position today.

Before closing, I must mention the names of the current leadership of local 5 because I would like each of my colleagues to know the individuals who together are responsible for the outstanding achievements of local 5: president, Donald Thiele; vice president, James McGuirk; secretary-treasurer, Archie Stephen; recording and assistant secretary, Tom McMahon; business agents, George Christian and Bud Jones; executive board member, Charles Ahrens, and arbitration board chairman, Ray Atkinson. For years these men have been coming to Washington to ably represent the interests of local 5.

I wish to congratulate the members of the union on this significant 100th anniversary.

MID-EAST AGE-OLD CLICHES RESENTED BY MODERN ISRAELI

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

Mr. PEPPER. Mr. Speaker, all who are friends and admirers of Israel, as so many of us have so long been, have been very much pleased to read a most excellent article entitled Mid-East's Age-Old Cliches Resented by Modern Israeli, appearing in the July 6, 1969, issue of the Sunday Star, by Ben J. Wattenberg. This excellent article points out especially that it is not true—as critics have asserted—that Israel is a "tiny," "new," "artificial" state surrounded by hostile Arabs. This article emphasizes the size, the strength, the native character and the generally favorable environment of the State of Israel and, above all, this article movingly reveals the greatest thing about Israel, the indomitable determination and spirit of its people.

Mr. Speaker, I commend this article to my colleagues and to my fellow countrymen and include it following my remarks in the RECORD:

MID-EAST'S AGE-OLD CLICHES RESENTED BY MODERN ISRAELI

(By Ben J. Wattenberg)

TEL AVIV.—My grandfather was S. Ben-Zion, a Hebrew poet and teacher who, in 1910, moved his family to a plot of vacant sand dunes in the Palestinian desert just north of the city of Jaffa. Today on that same site rises the 34-story Shalom Tower—the tallest building between Milan and Tokyo—and around it sprawls Greater Tel Aviv, now a city of 700,000.

If one says—as some do—that modern Israel can be dated from the founding of its major metropolis, then Israel will be 60 years old next year.

But David Ben-Gurion, a little man with a voice like thunder, still spry, visionary and opinionated in his 83rd year, will have none of that. For Ben-Gurion, a nation starts with land and farmers, not cities and writers.

His blue eyes flashing, his brow curled in reminiscence, Ben-Gurion insists that modern Israel dates back to 1870—a hundred years ago. That was when Mikveh Israel, the first agricultural school in Palestine, was established. Ben-Gurion came to Palestine from Russia in 1906 and he says that what his generation did as farmers on the desert land and on the swamp land was not a beginning but a continuation of what began at the Mikveh Israel agricultural school.

But to many others, modern Israel is regarded neither as 100 years old nor 60 years old. The standard cliche now afloat around the world goes something like this: "Israel is a tiny, 20-year old state established by the United Nations and the conscience of the world because of what Hitler did to the Jews in Europe." To which the Arabs add that the Jews in Israel are an artificial, Westernized, neocolonial foreign body surrounded by a sea of 100 million Arabs. The Arab position has its allies. At a cocktail party recently one middle-level American diplomat who had spent most of his career in the Arab states described Israel as a "monster state."

Artificial. Tiny. New. Surrounded. These are the words that send Israelis up the walls and they are the words that confound most of the attempts to see the Middle Eastern situation for what it is.

MANY NATIVES

There is first the matter of "artificiality." It is perhaps a bit too easy to note that Ben-Gurion has lived in Israel far longer than Nasser has lived in Egypt. But there is a seed of an important truth there. For when one looks at the Israeli demography one does *not* see a group of European newcomers set down in the Middle Eastern desert. Of the Jews in Israel today:

42 percent were born in Israel.

29 percent were born elsewhere in the Middle East (mostly Algeria, Morocco, Egypt, Iraq and Yemen).

10 percent were born in Western countries but emigrated to Israel before World War II.

Only 19 percent are "non-Middle Eastern, relatively recent immigrants" (within the last 30 years).

The official Arab position is that they hold no grudge against the 29 percent of the Jews born in Arab lands—not, conceivably, even their children, who comprise a good portion of the 42 percent "born in Israel."

There is no reciprocity to this kindly view. While many Israelis of European origin display a love-hate fascination with Arabs, the Jews from Arab lands feel little but contempt for the Arabs. They have lived under Arab rule for centuries and their attitude is simple: "They have their countries, we have our country. Let the Arabs stay in their own countries and we'll stay in ours."

So, the Israelis don't feel artificial. More than half are from the Middle East; eight in 10 are native-born, Middle Eastern or residents of Israel since before most of the Arab guerrillas were born.

Israel is habitually described as "tiny." Today, there are 2.5 million Jews in Israel, compared to the 80,000 when my grandfather built his house on the first street of Tel Aviv. Since the Six-Day War the birth rate has risen slightly and the immigration rate has risen substantially.

EXPANDING MARKET

Each year, between birth and immigration, about 60,000 new Jews are added to the net population. Two and a half million is a small population by the standards of India or the United States but is more than that of Jordan or Lebanon or Libya. There are more Israelis in Israel than there are Irish in Ireland or Uruguayans in Uruguay. There are, in fact, enough Israelis so that Israeli economists now begin to talk of "a domestic economy of scale," which suggests that there are now enough people to provide a domestic market large enough to profitably produce certain goods that require large set-up costs.

Chaim Sharrett is the son of the late Israeli Prime Minister Moshe Sharrett, and his parents grew up in early Tel Aviv on the same street as my grandfather, childhood friends of my mother. Chaim Sharrett lives now on a kibbutz near the Jordanian border (where his children sleep in underground bomb shelters). Each morning he commutes to a small factory in Haifa where he directs a small new enterprise that manufactures Fiberglas sailboats of a new design. The basic market for the boats will be Israel—the 2½ million Jews, none of whom live very far from the Mediterranean Sea. In the last 10 years, Israel's population has grown by more than 35 percent and per capita income went from $740 to $1,350. Before that economic and demographic surge, a fullscale domestic market for products like sailboats did not really exist. Most new industry had to be predicated on an always risky export market. Now Chaim Sharrett still has his eye on exports to be sure, but he sees that his business can survive on a domestic market.

What is small? As measured by dollars of gross national product, Israel produces more than Portugal, more than Taiwan, more than Guinea, Ghana, Senegal and the Ivory Coast combined, more than Peru or Algeria or Iraq or Saudi Arabia and not very much less than Egypt with her 32 million population.

What is small? With the current boundaries, Israel is roughly the same size as Hungary or Austria. It is 350 miles from the Northern tip of the Golan Heights to Sharm el Sheik at the Southern tip of the Sinai. Even with the old boundaries and adding Jerusalem and Golan the area of Israel is not much different from that of Holland or Belgium.

SEA OF ARABS

"Surrounded by a sea of Arabs" is also misleading. If one puts the point of a compass on Tel Aviv and inscribes a 2,000-mile arc around the nations of the Middle East the resultant population breakdown works out something like this: 88 million Arabs (all the Arab nations except Morocco and Algeria, each more than 2,000 miles away) and 92 million non-Arabs (Israel, Turkey, Iran and Ethiopia). Israel has friendly and productive relations with the non-Arab nations and these non-Arab states are quite anxious to see to it that Nasser's dreams of Pan-Arabism for the entire Middle East do not reach fruition, particularly not Pan-Arabism sponsored by Moscow. In short, Israel, like most of the nations of the world, has neighbors of different kinds—some friendly, some not. Like many other nations of the world the Israelis live in an "un-defused" situation; not dissimilar to the U.S. and Russia, or Russia and China, or North and South Korea, or India and Pakistan. Have you ever spoken to a Hungarian

about what he thinks of Romania? Such "un-defused" situations have been known to last for generations, even centuries.

The point is a simple one. Israel is not a freak state. Not artificial, not tiny, not new, not really surrounded, Israel has come of age. The time for clucking over the precocious infant is past—and the Israelis realize this today better than anyone else.

As a successful non-freak national entity, Israel and her leaders and people can be expected to behave in normal national ways. As a state confronted by enemies, that means firstly, that Israel will do what it must do to remain secure. And that means that international pressure is not going to push the Israelis to do what they feel is detrimental to their own national interests. They are prepared to do it all themselves if they have to. Some of the military ramifications are fascinating.

THE GENERAL

Gen. Ezer Weizman, tall, dashing and candid, is 45 and was born in Tel Aviv. He was formerly the Commander of the Israeli Air Force and is now deputy chief of Staff of the Israeli armed forces. He has fought in four wars, starting as a Spitfire pilot with the R.A.F. in World War II.

Before the Six-Day War, when he was still Commander of the Air Force, he told a skeptical Israeli columnist that if war came, his fliers would destroy the Arab air forces in three hours. On June 5th, 1967, an aide of Weizman's called the columnist and said: "Ezer said to tell you he miscalculated. It only took two hours and 55 minutes."

Today, Weizman believes that the Egyptians may try war again in the future and knows that the Israelis will win again if they do. Flying over Sinai with Weizman and several other Israeli officers, one is inclined to accept their word. At an air-base in the Sinai one sees the sleek jet fighters on quick-alert leaning forward in their hangers as if on a short leash, only about 10 minutes flying time from Cairo. At one such base in Sinai stands a former Egyptian Officers Club, where in May of 1967, Gamel Nasser toasted his pilots: "If Rabin wants a war, we'll give it to him." That remark is remembered by Israeli military men when the rhetoric of Egyptian power floats across the Nile.

To Ezer Weizman, native-born Israeli and professional military man, Israel today is in good shape.

The Suez Canal is constructed as if it were designed to be the world's best anti-tank ditch. The Sinai desert is Orchard Beach as far as the eye can see, apparently designed by a God of History as the prefect buffer zone, with a wealth of oil thrown in for good measure.

As one travels through this vast expanse of desert (15,000 square miles crossed only by a few roads), the wonder of it all is how the Egyptians were able to evacuate it so quickly. Weizman, a former air general, says: "With air power we could hold this territory against any force on earth," and one of his tank commanders mutters in Hebrew: "Also without air power."

SINAI THE KEY

Militarily, the Sinai would seem to be the key to the Middle East situation. The Egyptians are the only Arab force that are even in the same league with the Israelis. To wage war, they must make a complex amphibious or airborne landing, only to get to an open, invulnerable desert—a highly dubious proposition. For this reason, many Israelis see no serious territorial war in the immediate future. The Arabs can't; the Israelis won't.

(That, at least is the rational way of looking at it. But there is that potent old story about the scorpion and the camel that haunts any rational approach. It seems that the scorpion wanted to cross the Nile and, not being able to swim, asked a nearby camel for a lift. "Scorpion," said the camel, "I am not crazy; If I give you a ride across the Nile you'll sting me and I'll die." The scorpion considered that for a moment and countered, "Camel, this is nonsense. If I sting you while we are crossing the Nile together, we'll both drown." The camel was convinced, and the two set out to cross the Nile. Midway across the river—wham!—the scorpion stings the camel and soon the camel is floundering. It is apparent that both camel and scorpion will soon meet a watery grave. The camel talks: "Scorpion, idiot, why did you do it? Now we'll both die." The scorpion pauses thoughtfully as the water inches up to his neck and then says quietly, "Camel, you forgot one thing. This is the Middle East.")

Middle-Eastern irrationality aside, most Israeli military men regard the Arab guerrillas as no real threat. They are thought of as killers, not fighters, who will squeal on their brothers and are vastly overpublicized and overrated, only a few thousand in number drawn from a pool of millions of Arabs and capable only of nuisance value within the borders of Israel.

(That Israel is secure within her own borders can be verified by Wattenberg's First Law of Human Behavior, which states, "If there is something to be nervous about, Wattenberg will be nervous about it." And to a traveler in Israel these days the feeling is not one of nervousness despite the roadblocks leading into major cities and the Uzzi machineguns slung on the shouders of young soldiers who are just in from the front. There are many Israelis who also claim they are not nervous when traveling through the Arab towns on the occupied West Bank of Jordan—but they are crazy. I found Wattenberg's Law clearly applicable in Jenin, Nablus and other West Bank Arab communities.)

EARNED CURRENCY

To Ezer Weizman, Israel's current military security and her economic, psychological and demographic booms are not providential gifts from the Six-Day War. They are earned currency accumulated by Israelis by many years of back-breaking work, by many dead soldiers, by boys today who volunteered for paratroop training, and by mothers who in a classic reversal of the Jewish Mother story now plead with the generals to get their boys in the paratroops so that there will be peace in the house.

Weizman's view of recent Jewish history has variations in emphasis from Ben-Gurion's. Of course, like Ben-Gurion, Weizman likes to remind a visitor that there have been Jews in their land for 4,000 consecutive years, but he also notes that if Israelis ever have to cross the Suez Canal they will find pyramids built by Jewish slave labor in the time of the Pharaohs. He remembers that the Sinai is not historically a part of Egypt but only an uninhabited region that has been tacked on to that country for the last 50 years. He remembers that in his boyhood there was a great national celebration each time the Jewish National Fund was able to purchase land from the Arabs, and he sees lots of purchasable land in the West Bank territory that would be ideal for Jewish settlement. He remembers that the Palestine of the 1917 Balfour Declaration included both sides of the Jordan River (as did Biblical Israel) and that if there is an "artificial" state in the Middle East it is Jordan.

As Weizman flies a military plane from base to base around Israel, he often observes: "It's a big country now," and it is clear that he wants it to stay big even if this means that the present deadlock will have to continue. If shells must fall, better they fall in Suez and Sinai than on Tel Aviv and Jerusalem. And that seems to be the mood throughout the rest of the country, unless some real peace can be guaranteed.

If Weizman is regarded as somewhat of a hawk, Israel's Ambassador-At-Large, Michael Comay, former U.N. Ambassador for Israel, is certainly not a hawk in any man's aviary. Yet, in London earlier this year he described in blunt terms what would be the results of any imposed solution regarding the Mideast. "If you dictate a solution that Israel does not accept," he said, "you must be prepared to see it become a worthless scrap of paper or else mount an invasion of Israel. Are you prepared for that?"

DOOMSDAY TALK

The same question can be asked of the U.S., of France—and of Russia.

When the hour is late and the drinks are low and Israeli military men gather, the doomsday possibilities surface, as they do with military men all over the world. Because the Arabs pose no real military threat in the foreseeable future the military guessing game turns to what the Russians might or could do.

The ultimate questions are asked. Question: "Could the Russians invade?" Answer: "Very doubtful militarily. It would make Vietnam look like a tea party." Question: "Suppose the Russians attacked Israel with missiles?" The retort is quick: "Nuclear-tipped or conventional warhead?" And the breakdown is that the idea of Russians using nuclear missiles on the Israelis is most far-fetched, that conventional missiles hurt no worse than bombers, and that Tel Aviv could survive bombing from Egyptian or from Russians if it ever came down to it.

Political and economic pressures are another matter, and they could most effectively be wielded by the United States. The Israelis are deeply friendly to the United States, by kinship and by ideology. They are grateful for past help and understand that good relations in the future are crucial. But they know that the first order of national business is survival, and they are aware that no pressure that the U.S. can bring to bear could make them risk that survival. Israel's survival, they know, is ultimately in Israel's hands.

So Israel today is settled down for the long pull.

David Ben-Gurion looks to the future and says the Arabs could conceivably win a fifth or sixth or seventh war and what Israel needs for long-term survival is more Jews. He says that if Hitler had not killed the European Jews the current population of Israel might be 5 million or 7 million instead of 2½ million. Still, there are 14 million Jews in the world, 11½ million not living in Israel. Ben-Gurion is hopeful that many Russian Jews and some American Jews will one day find their way to Israel. He also hopes the Jewish birth rate in Israel will rise, and to this end supports plans for new and larger forms of housing, for creating part-time jobs for working mothers, for nursey schools. In Israel these days one also hears talk about making abortions much more difficult to obtain.

A FEW

Ben-Gurion views Jewish history as an eternal struggle of quality versus quantity. Moses said the Jewish nation would be "a few among people." This has proven to be true, but Ben-Gurion and most other Israelis are casting about for ways to boost the quantity in order to preserve the quality for the generations ahead.

In the meanwhile, the quality is still there. My grandfather's family has flourished and prospered. In their number today are a leading artist, a bulldozer driver, an agronomist, a micro-biologist, several English teachers, and my beautiful young cousin whose mother didn't let her compete in the Miss Israel contest (she would have won).

Two years ago one of the great-grandsons of my writer grandfather was in the Israeli Army force that stormed the Golan Heights. A slight young man with horn-rimmed glasses, he was creased by a bullet that came within an inch of his heart. He continued up the Heights and boarded a half-track that pursued the Syrians across the plains. The half-track hit a mine and shrapnel pierced his legs. He climbed aboard another half-track, which also hit a mine and sent addi-

tional shrapnel into his legs. He was on his way to a third half-track when he fainted from loss of blood.

Today, he is fine and preparing to take entrance exams for the Hebrew University. The shrapnel is still working its way out of his legs.

He is a fourth generation Israeli. He does not feel that he is in a new, or tiny, or artificial, or surrounded nation. He is there to stay.

He is the young man to remember while the dance of the diplomats continues in the capitals of the world.

FOR THE PEACE OF THE WORLD RED CHINA MUST NOT BE RECOGNIZED OR ADMITTED TO THE UNITED NATIONS

The SPEAKER pro tempore (Mr. ANDERSON of California). Under a previous order of the House, the gentleman from New York (Mr. ROONEY) is recognized for 30 minutes.

Mr. ROONEY of New York. Mr. Speaker, recently Italy and Canada opened negotiations with the Chinese Communists with a view to recognizing the Peking regime. A similar demarche is being considered by Belgium. The ostensible reason given is that such moves were motivated by the exigencies of internal politics. Yet no plausible reasons are given in that the recognition of Mao's regime is so fraught with grave international repercussions that it cannot in anywise be justified simply as a measure of political expediency. Besides, one should ask, Is a measure of political expediency ever advantageous and lasting for the purpose of obtaining peace for which it is so devised, let alone to say if it is at all wise?

Take Canada, for example. The establishment of a Red Chinese Communist diplomatic mission in Ottawa would furnish Mao with an important base of operations in the Western Hemisphere. The geographical propinquity and extensive common frontier between Canada and the United States will make it infinitively more difficult to guard against Communist activities of subversion and infiltration than to ward off similar activities from insular Cuba. It is a matter involving the vital security interests of the United States.

Italy, one of the most important members of NATO, has the largest Communist party in Europe. The opening of a Red Chinese Communist diplomatic mission in Rome would undoubtedly result in the expansion of the Maoist influence in Western Europe and give the Chinese Communists a field day for promoting social unrest and disruption as they did during the commotion in France last May. By the same token, a Red Chinese base in Brussels would mean Chinese Communist penetration into the heart of NATO, the cornerstone of U.S. foreign policy in Europe.

Though the United Kingdom and France recognized the Red Chinese Communist regime for different reasons, they shared the same bitter and humiliating experiences in their dealings with the Chinese Communists. This lesson should not be lost to us and to Canada and other European nations.

The United States has many friends and allies among the free nations in Asia who look to her for leadership in their efforts to resist the Red Chinese Communist threat and aggression. Living under the shadow of the Chinese mainland, these nations realize that, if left to their own devices, they cannot hope to safeguard their own security. In this connection it might be worthwhile to read a report "Which Will Be the Next Vietnam?" printed in the Reader's Digest of March 1969. This report states that any weakening of the U.S. posture in the Far East would have a great unsettling effect on their morale and their determination to stay on the side of the free world. Nothing but resolute leadership can insure the position and interests of the United States as a Pacific power.

It goes without saying that recognition of the Red Chinese Communist regime would be a shot in the arm for Chinese communism, teetering and tottering as it is, under internal turmoil and self-imposed isolation. Moreover it would give impetus as well as encouragement to persist in their policy of militant adventurism and setting aflame more of the so-called wars of national liberation in different parts of the world.

Recognition of the Red Chinese Communist regime would imply, as a corollary, voting in favor of its admission to the United Nations. The U.S. Congress over the years has repeatedly made known its position of being dead set against Red China's admission to that world organizations. It requires no stretch of the imagination to envision the disruptive influence the Peiping regime would wield in the United Nations if it were admitted to that body. Admission to membership of the Red Chinese Communists would upset the present, already delicate balance in the United Nations and seriously undermine the position of the United States.

Mr. Speaker, in view of the foregoing, it is eminently in the interests of the United States and world peace that we should not confine our efforts to an expression of deep concern to the authorities of Canada, Italy, and Belgium about their overtures or intention to recognize the Red Chinese Communist regime. We should make it emphatically clear to them that we are firmly opposed to such a move which cannot fail to have a detrimental effect on their relations with the United States. Merely to convey our deep concern without expressing our strong objection could be construed as tacit approval of their present course of action. Furthermore, the U.S. Congress should reaffirm its past resolution that, in the event of the Red Chinese Communist regime being admitted to the United Nations, the U.S. Government will have to reconsider its position vis-a-vis that world organization and the cost thereof.

TWENTY-FOUR YEARS AGO TO THE DAY, ANOTHER SCIENTIFIC MILESTONE WAS RECORDED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. HOSMER) is recognized for 5 minutes.

Mr. HOSMER. Mr. Speaker, the launching of Apollo 11 to the moon yesterday, for man's first walk on that planet, follows by 24 years to the day the testing of the world's first atomic bomb at a lonely site near the old town of Alamogordo, N. Mex.

The atomic age came into reality on July 16, 1945. The Alamogordo test was followed by the use of two nuclear weapons over Hiroshima—on August 6 of that year—and Nagasaki—on August 9—Japan, to end World War II.

During the intervening 24 years, large strides have been made in use of nuclear energy for constructive purposes—generation of electricity and use of radioactive materials in industry, medicine, agriculture, and space. As one example, a form of plutonium different from that used in the atomic weapon over Nagasaki is being utilized as a fuel in a heart pacemaker. The material, plutonium-238, is produced at the Savannah River Plant.

From the Alamogordo test on the morning of July 16, 1945, a message went over telephone wires to Washington. It said "New York Yankees," a prearranged code signal to report "successful beyond expectations." The code was based on the names of big league ball clubs. Had the experiment there that morning ended in failure, the code "Cincinnati Reds" would have been used. "Below expectations" would have been "Cleveland Indians" and "as expected" would have been "Brooklyn Dodgers." The code reflected the status of the baseball world at that time.

That the first attempt at an atomic explosion should have been successful was as though James Watt had sat down in 1763 and built a locomotive after watching steam lift the lid of his grandmother's teapot.

A flash with the intensity of the noonday sun and with a deep, growling roar marked mankind's transition to a new destiny at 5:30 a.m. on July 16, 1945. Like a Wagnerian opera, darkening heavens, pierced by sharp shafts of lightning, from which poured great gusts of rain, heightened the drama and added to the tension immediately before the detonation.

But Americans now live in a more benign era of nuclear energy. In one space application, a heater, fueled with plutonium-238, goes to the moon in a seismic recorder to be left there by the astronauts.

GONZALEZ PROPOSES ALTERNATIVE TO SURCHARGE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 10 minutes.

Mr. GONZALEZ. Mr. Speaker, a vote on a tax measure is not a simple and uncomplicated thing for one to make. For one thing, procedurally a Member who is not a member of the Ways and Means Committee has no alternative over the traditional method normally enjoyed by the House to consider a tax measure, known as a closed rule, except to vote the measure up or down. He has no opportunity to offer amendments. Why this should be has never been clearly or satisfactorily explained. Why

a tax bill should have a sacrosanct status different from such important bills as appropriations, and authorizations, and housing bills, is very difficult to understand. Nevertheless, the fact remains that the power to tax is still the power to destroy. And I have detected in the mood of the constituency in particular and the public generally, dissent and outright distrust of the tax system as it has developed.

The contradiction of special privilege for the privileged and inordinate tax burdens for the lesser privileged are not only puzzling the American taxpayer but causing a serious erosion in the traditional faith in the taxing system that has made America so preeminently an example heretofore. There are valid reasons for this malaise. One does not have to resort to bombastic and dramatic examples such as millionaires paying no income taxes, billion dollar corporations paying no income taxes, and so forth. For example, the ludicrous and absolutely unexplainable administrative fiat by IRS in the case of some of the largest corporations in our country, who after being convicted on conspiracy to regulate prices and being fined by the Government to write off the fines and thereby for all intents and purposes make null and void the finding of the court.

The average citizen does not have to be a tax expert to know that the IRS has not had this consideration for him when he has had to pay traffic fines and other judicial impositions or penalities.

Yet, neither the Congress nor the administrations have done anything about this sorry and inexcusable conduct. But, so much for that. The more serious aspects of a tax impasse that are very eloquently revealed is the history of the enactment of the surtax and its extension by the House just a few days ago this year.

President Johnson first recommended strongly the enactment by the Congress of some tax measure in early 1967. By August of 1967, it was obvious to me that the Congress not only would not consider such a bill but also even refused to entertain conducting hearings on the subject matter.

This was the most distressing to me because it meant that while the executive branch of the Government was reporting very distressing and imperious matters, the legislative branch was apparently unaware and unconcerned. If the executive branch was correct, it simply would mean that the national interest would be imperiled unless the Congress, while not rubber-stamping the President's proposal, would at least offer an alternative.

It was at this point that I offered for the first time in all seriouness a suggestion borne of much study and research which I again announced last week and which I called NEST, the national economic stability trust fund. I insert at this point in the RECORD the text of my news release on NEST:

GONZALEZ PROPOSES ALTERNATIVE TO SURCHARGE

Texas U.S. Rep. Henry Gonzalez is proposing an alternative to the surcharge tax to be known as "NEST."

In a letter to President Nixon dated July 11, Gonzalez proposed a new National Economic Stability Trust fund which would replace the income tax surcharge. Gonzalez said he first proposed such an approach in 1967 in a letter to the House Ways and Means Committee Chairman Wilbur Mills and in speeches on the floor of the House.

Gonzalez said, "My idea is to have each taxpayer contribute to the NEST Fund an amount equal to the present surtax. When inflationary pressures ease, or economic conditions show a need, the money would be returned to the taxpayer in the form of a tax credit or a cash payment, but in no case would the fund keep anyone's money for more than five years."

Gonzalez said that the NEST concept would take money out of circulation ("which is what the surtax is supposed to be doing"), but would restore the money at the earliest practicable date.

"In fact, taxpayers could not use money in the NEST fund, but would simply hold it out of circulation until inflationary pressures cool," he continued.

"Contributions to the NEST fund," he said, "would be collected only in periods when economic indicators show serious inflationary threats; repayments would be made when recession is threatened; or when conditions permit."

The San Antonio Congressman is one of the 205 members of the House who voted against the extension of the surcharge tax.

"I believe that a substantial number of House members agree with me that the tax surcharge is apparently failing to meet its objectives, and that it is necessary to consider some alternative measure," he said.

Gonzalez pointed out that through the "NEST" plan, the government would have available a flexible method of controlling inflationary pressures, and could quickly remove restraints in case of recession.

"No such flexibility is presently available, since specific tax laws are required for making economic adjustments, and recent experience suggests that such laws may not be enacted quickly enough to be effective," he said.

"Every citizen," he continued, "who pays the income tax surcharge loses his money forever. Under the NEST plan, his money would be set aside by the government for repayment to him. This fact, together with the flexibility of the system, would provide a method that is effective and which would merit wide public confidence."

Prior to the news release, again in all seriousness, and sincerity, I wrote the President and the senior Senator as well as the junior Senator from Texas, asking their consideration when the Senate deliberated on the House-passed extension of the surtax.

Mr. Speaker, I insert in the RECORD at this point both letters:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., July 11, 1969.

HON. RICHARD M. NIXON,
President of the United States, White House, Washington, D.C.

DEAR MR. PRESIDENT: As you know, the House has approved an extension of the income tax surcharge by a narrow margin. I was among those who voted nay. I believe that substantial number of House members agree with me that the tax surcharge is apparently failing to meet its objectives, and that it is necessary to consider some alternate measure.

I proposed in 1967 that in lieu of an income tax surcharge Congress enact a loan system, whereby taxpayers would contribute the equivalent amount of the surcharge to a special government fund. Proceeds of the fund would be repaid to the taxpayers either through tax credits or direct payments when economic conditions permitted. This idea never received the serious study that it should have. I believe that experience with the surtax system is now sufficient to judge it less than a success, and accordingly urge that you give close study to the plan I propose.

It is said that the purpose of the income tax surcharge is to combat inflationary pressures by removing money from circulation. I propose a National Economic Stability Trust, which would have as its purpose stabilizing the national economy by means of a flexible application of fiscal controls.

The National Economic Stability Trust would be established by having each taxpayer contribute to the Trust fund an amount of money equal to five to ten per cent of his corporate or personal income tax liability. The trust would repay to the taxpayer, either through tax credits or direct payments, the amount of his contribution (possibly with interest) at such time as economic conditions permit, but in no case later than five years. Thus, the government would have available a flexible method of controlling inflationary pressures, and could quickly remove restraints in case of recession. No such flexibility is presently available, since specific tax laws are required for making economic adjustments, and recent experience suggests that such laws may not be enacted quickly enough to be effective.

Every citizen who pays the income tax surcharge loses his money forever. Under the National Economic Stability Trust plan, his money would be set aside by the government for repayment to him. This fact, together with the flexibility of the system, would provide a method that is effective and which would merit wide public confidence. I hope that you will give this your most careful consideration.

With kindest regards, I remain,
Sincerely yours,

HENRY B. GONZALEZ,
Member of Congress.

JULY 11, 1969.

SENATOR RALPH YARBOROUGH,
Senate Office Building,
Washington, D.C.

DEAR SENATOR: As you know, the House has approved an extension of the income tax surcharge by a narrow margin. I was among those who voted nay. I believe that substantial number of House members agree with me that the tax surcharge is apparently failing to meet its objectives, and that it is necessary to consider some alternate measure.

I proposed in 1967 that in lieu of an income tax surcharge Congress enact a loan system, whereby taxpayers would contribute the equivalent amount of the surcharge to a special government fund. Proceeds of the fund would be repaid to the taxpayers either through tax credits or direct payments when economic conditions permitted. This idea never received the serious study that it should have. I believe that experience with the surtax system is now sufficient to judge it less than a success, and accordingly urge that you give close study to the plan I propose.

It is said that the purpose of the income tax surcharge is to combat inflationary pressures by removing money from circulation. However, income from the surcharge is presently appropriated and spent by the government, and therefore remains in circulation. I propose a National Economic Stability Trust, which would have as its purpose stabilizing the national economy by means of a flexible application of fiscal controls.

The National Economic Stability Trust would be established by having each taxpayer contribute to the Trust fund an amount of money equal to five to ten per cent of his corporate or personal income tax liability. The trust would repay to the taxpayer, either through tax credits or direct

payments, the amount of his contribution (possibly with interest) at such time as economic conditions permit, but in no case later than five years. Thus, the government would have available a flexible method of controlling inflationary pressures, and could quickly remove restraints in case of recession. No such flexibility is presently available, since specific tax laws are required for making economic adjustments, and recent experience suggests that such laws may not be enacted quickly enough to be effective.

Every citizen who pays the income tax surcharge loses his money forever. Under the National Economic Stability Trust plan, his money would be set aside by the government for repayment to him. This fact, together with the flexibility of the system, would provide a method that is effective and which would merit wide public confidence. I hope that you will give this your most careful consideration.

With warmest regards, I remain,

Sincerely yours,

HENRY B. GONZALEZ,
Member of Congress.

I do hope that serious consideration is given to this suggestion for I sincerely believe that it is a way out of the tax impasse.

HIGHWAY SAFETY: COMMENTARY NO. 9

(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, although the hearings on highway safety held by the Subcommittee on Roads of the Public Works Committee concluded some weeks ago, the problem is very much alive. As I have taken pains to point out in this series of commentaries, the problem involves many complex and interrelated factors.

My subcommittee is now having hearings on truck lengths, widths, and weights. Interestingly enough, we find safety considerations also involved. Although definitive study and research is lacking, there is evidence that increases in the length, width or weights of trucks could be an added threat to highway safety. There is a real need for research and study in this area of highway safety—as there of course is in other areas also.

Yesterday, Assistant Prof. John J. O'Mara, of the University of Iowa, presented a statement to the Subcommittee on Roads of the Public Works Committee in which he thoughtfully discussed vehicle size and weights as they relate to highway safety as well as other considerations such as damage to bridges and pavements, and so forth. The statement is perceptive and deserving of wide reading and careful consideration. I offer Professor O'Mara's discussion at this point in the RECORD, commending it to the attention of all who are interested in highway safety and improving our transportation policies.

STATEMENT OF JOHN J. O'MARA

Mr. Chairman and members of the committee, it is estimated that there were 21,060 persons killed on our nation's highways in the first five months of 1969. This total compares with 20,420 fatalities during the corresponding period of 1968, an increase of more than 600 persons killed, or approximately 3%, over the 1968 period. Thus, the traffic accident toll not only continues but continues to increase, as it has increased relentlessly since 1961.

Any proposal to change any facet of public policy concerning highway transportation must be evaluated in the context of this grievous and worsening problem which results in thousands killed and millions injured each year. The problem has been given more attention in recent years, but so far, countermeasures have not reduced the toll nor even stemmed the rise.

It is quite apparent that if the acceleration of the highway slaughter is to be stopped, firm resolution and action is required. One fundamental act would be to firmly resolve that no change in highway transportation policy should be adopted by any legislative body or other governmental agency *unless that change holds definite promise of improvement in the accident situation.*

SCOPE OF THE TRAFFIC ACCIDENT PROBLEM

From 1936 through 1961 the annual death toll of traffic accidents remained at about 38,000 per year with fewer during World War II. In 1962 the toll jumped above 40,000 for the first time in history, and it has continued to rise ever since then. The fatality rates, both on the basis of vehicle miles and of population, have increased also. The tragic total for 1968 is estimated at 55,500, an increase of almost 50% in seven years. See Table 1. Approximately 2,000,000 persons are injured each year and economic losses exceed $10 billion annually.

TABLE 1.—MOTOR VEHICLE DEATHS AND DEATH RATES

Year	Number of deaths	Mileage rate [1]	Population rate [2]
1961	38,091	5.2	20.8
1962	40,804	5.3	22.0
1963	43,564	5.4	23.1
1964	47,700	5.6	24.9
1965	49,163	5.5	25.4
1966	53,041	5.7	27.1
1967	53,100	5.5	26.8
1968	55,500	5.5	27.8

[1] Deaths per 100,000,000 vehicle-miles.
[2] Deaths per 100,000 population.

Even before 1962 it could be said that:

1. Motor-vehicle accidents are the third leading cause of death in the United States.
2. More American lives have been lost in motor-vehicle accidents than in all the wars in which the United States has engaged.
3. More children die as a result of motor-vehicle accidents than from any other cause.
4. Half of the victims are in the prime of life, between 15 and 45 years of age.
5. From the social and economic viewpoint, motor-vehicle accidents could be considered the most serious cause of death and injury in the United States.

VEHICLE SIZE AND WEIGHT

The physical characteristics of vehicles govern the design of many highway features including the steepness of grades, dimensions and strength of bridges, sharpness of curves, the geometry of intersections and interchanges, and the width and thickness of pavements. Consequently, it is necessary that the public regulate the size and weight of vehicles in order that they not exceed the traffic and structural capacities of existing highways and streets and their components.

However, safety is the primary factor to be considered in establishing most limiting criteria, and this is true of maximum dimensions and weights of vehicles. Public authorities, however, in adopting controls for these characteristics often enact measures which compromise safety and endanger the public. Such actions are primarily due to the paucity of reliable information concerning traffic and accidents.

LACK OF INFORMATION

The meager size of the accident data bank available is almost incredible. Highway transportation in the United States is an economic activity which exceeds $125 billion annually of which the various governments spend approximately $17 billion directly. The Federal government alone directly spends approximately $5 billion each year. Yet little money or effort has been spent to determine the essential facts of traffic accident occurrence.

One important aspect of this situation is that almost all accident investigation and reporting is directed toward the purpose of establishing who was at fault. The type of and condition of the vehicles most often are not recorded at all.

It is, therefore, difficult if not impossible to relate with certainty the incidence of traffic accidents to any single characteristic or pair of characteristics of vehicles. The same can be said of characteristics of roads, drivers and pedestrians. In most cases, however, general inferences can be drawn, e.g., the incidence of traffic accidents is higher among teen-age drivers.

There is considerable difference of opinion as to the relative accident involvement rates of passenger cars and of trucks. However, the preponderance of evidence of accident experience, especially that on Interstate Highways, toll roads and other arterial highways, suggests that the heavy truck is involved in serious accidents to a greater extent than is the passenger car. Probably the latest information along this line was that presented by the American Trucking Association and others in Congressional hearings in 1968. That testimony showed that heavy trucks accounted for 1.54 percent of vehicle registrations in 1964, traveled 5.33 percent of all the miles operated in this country, but were involved in 11.6 percent of all the fatalities.

At this time any increase in the maximum allowable values of the length, width, height or weight of vehicles can only aggravate this situation and lead to an increase in the number and severity of motor vehicle accidents on the highways.

VEHICLE LENGTH

There are many safety aspects of the length of vehicles operating on highways. One is the fact that the rear wheels of a highway vehicle on a curve usually follow a path closer to the center of the curve than the path of the front wheels. For example, a long truck making a right turn at a street intersection often must encroach upon the left lanes of both streets in order that the rear wheels clear the curb on the inside of the turn.

The same phenomenon occurs on a highway curve to a lesser extent. The longer the truck, the wider the truck and the sharper the curve, the more the rear end of the truck will be displaced toward the adjacent lane.

Although the National System of Interstate and Defense Highways has been built to high standards, it is likely that some parts of the system cannot safely accommodate trucks longer than 50 to 55 feet. These lengths were the design lengths recommended by the American Association of State Highway Officials prior to 1968 and used for the design of most of the Interstate System and for most primary highways.

It is certain that trucks longer than these lengths cannot negotiate some of the ramps, loops and similar components of the Interstate System and keep the whole of the truck within proper confines. The lateral displacement of the rear wheels of long trucks on the regular curves of the System could result in serious sideswipe accidents or could generate accidents by causing other drivers to shy away from the threatening truck. Furthermore, there are many miles of two-lane access roads over which Interstate Highway traffic must operate in order to use the Sys-

tem, which cannot safely accommodate longer trucks. On these highways and on the primary system, because of the narrowness of the pavement and the sharpness of the curves, it will be impossible to operate longer trucks without the rear of the unit encroaching on the opposite lane or coming dangerously close. If this should be true, it could be disastrous to the unwarned, unsuspecting drivers and passengers of vehicles in the opposite lane.

PASSING TIME AND DISTANCE

Another hazardous aspect of increased length is the increase in time and distance required for a passenger car to pass a longer vehicle, or for one long truck to pass one or more long vehicles. Standard procedures of the American Association of State Highway Officials usually are used for computing passing time and distance. However, those procedures do not suffice for many situations although the results can be quite critical in matters of safe sight distances, capacity and other factors.

AASHO policy is very broad, and the procedures for computing passing distances are generalized to approximate average passing maneuvers as they occur in passenger car traffic. It is questionable that those passing operations are representative of today's traffic as it operates on Interstate Highways, other freeways and even ordinary primary highways carrying a large percentage of truck traffic.

For example, the highest speed group covered by AASHO, 60–70 mph with an average passing speed of 62.0 mph, is somewhat representative of current traffic on such highways, but for the passing maneuver AASHO allows 11.3 seconds for occupancy of the left lane by the passing vehicle which makes the distance traveled during this part of the maneuver 1030 ft., all at a speed differential of 10 mph between the two vehicles. This policy does not encompass a very common situation of the type of highways under discussion: the passing of one long truck by another long truck at a very small speed differential.

It is quite common today to encounter such an operation, and for the driver of a following car, even on a freeway, it involves an aggravating delay. The slow speed differential is common, because nearly all traffic is moving at or near the maximum speed limit, and drivers desiring to pass often must do so at speed differentials of 2 to 3 mph. If trucks become longer, such passing operations may become intolerable.

At speed differentials of 2 to 3 mph, left lane occupancy may be of the order of 200 seconds, and, at 62 mph, the corresponding distance traveled while the trucks are essentially side by side will be of the order of 18,000 ft. or 3 to 4 miles.

In periods of inclement weather trucks splash particles or sheets of water or slush over other vehicles in passing operations. These passings now last upwards of 30 seconds and often the visibility of car drivers is almost completely obscured during this time.

A common type of accident occurring with today's truck combinations is the accident which involves "jack-knifing," an action in which the rear of the trailer unit skids sidewise, and beyond the control of the operator, to the extent that it swings 90° or more, sometimes almost 180°, about the swivel at the rear of the tractor unit. This type of accident often causes serious injury or death to drivers and passengers in nearby vehicles as well as to the truck occupants. Longer trucks will increase this hazard, and, if multiple trailers are authorized, the increase will be compounded.

NUMBER OF TRUCKS

The number of trucks and the percentage of trucks in the vehicle population are increasing steadily. The number of trucks affects both the safety and capacity of highways.

The traffic capacity of a highway usually is expressed in terms of vehicles per hour or vehicles per day. These are passenger car volumes, the trucks being included as "passenger car equivalents." The passenger car equivalent of a truck depends on many factors one of which is the truck length. AASHO estimates this equivalent to be as low as 2 passenger cars for small trucks in ideal conditions to as much as 20 for large trucks in more involved circumstances.

Thus, increases in numbers of trucks, coupled with increases in length, seriously reduce the capacity of a highway facility. When both increases are concurrent the reduction in capacity occurs in an exponential fashion. Many highways are operating at or over capacity not because of the number of vehicles per hours but because of the high percentage of trucks in the traffic stream.

VEHICLE WIDTH

Increasing the width of vehicles presents additional hazards in many ways. One is that they will be too wide for the width of existing lanes on existing highways.

As truck width has increased over the years, lane widths have needed to be increased from 7 or 8 feet to 9 feet to 10 feet to 11 feet and now 12 feet. A lane width of 12 feet is generally provided wherever there are more than a few trucks. These lane widths are because of 8'–0'' trucks. If trucks become 8'–6'' plus allowances, which implies actual widths of more than 9'–0'', pavements should be widened additionally. The situation is compounded for wider, as well as longer, trucks on curves.

There is a limit to lane width, and we may have already reached it. When lanes are widened to 13 or 14 feet, some drivers try to force-fit 3 lanes of traffic into 2 lanes of a highway or street.

TRUCK WEIGHT

Heavier trucks pose a very serious hazard to highway safety. A truck requires more distance in which to stop than does a passenger car.

Everyone understands that a body set in motion tends to continue in motion and that this phenomenon is a function of the mass or weight of the body. It is true of vehicles—a heavy vehicle is more difficult to stop than a light vehicle.

The ordinary semi-trailer now in common use requires more than twice the distance to stop as that of a passenger car at low or high speeds, see Table 2. If the weight is further increased without a drastic change in truck braking systems, the stopping distance will become longer still, and this will increase hazards in many ways.

TABLE 2.—APPLICATION AND BRAKING DISTANCES FOR VARIOUS TYPES OF VEHICLES AT 3 SPEEDS

[In feet]

Vehicle type	Application and braking distance at— 20 m.p.h.	40 m.p.h.	60 m.p.h.
Passenger cars	20	72	182
Lightweight trucks:			
2-axle, 4-tire	25	104	228
2-axle, 6-tire	36	149	329
Heavyweight trucks:			
3-axle single unit truck; 3-axle semitrailer combination; 4-axle semitrailer combination	40	166	365
5-axle semitrailer combination	46	168	375
Truck with full trailer, and truck tractor with semitrailer and full trailer	54	197	440

Source: H. Doc. 354, 88th Cong., 2d sess.

Another safety aspect of truck weight concerns the manoeuverability of heavy vehicles. It is much more difficult to change the direction of a heavy vehicle than a light one and this is particularly true at high speeds. It is often difficult or impossible for a truck driver to perform evasive actions in potential accident situations in high speed traffic, and this fact probably accounts for some of the excess involvement of heavy trucks in accidents. This situation would worsen seriously with any sizable increase in truck weights. Quick manoeuvering of a 60 or 65 ton combination probably would be a virtual impossibility.

DAMAGE TO BRIDGES

Probably the first adverse effect of increased weights which comes to mind is that of damage to bridges. This is emphasized by the recent rash of bridge failures, some of which have resulted in very extensive loss of life.

Serious damage and failure would occur. At the Congressional hearings in 1968 the president of AASHO pointed out that Interstate bridges are designed for a 32,000-pound loading, and it was estimated that increasing permissive weights from the present 32,000-pound limit to 34,000 pounds would overstress many bridges by 30 percent or more.

DAMAGE TO PAVEMENTS

Structural damage to pavements because of heavier trucks will affect safety in at least two ways. First, the pavement will become rough and the serviceability index will decrease at a much more rapid rate than the present rate. Rough pavement is a definite traffic hazard especially at high speeds.

Second, the rapid deterioration of the pavement will result in earlier and more frequent patching and repair operations and complete resurfacing projects. The latter also will require rehabilitation of the roadway and part of the roadside in order to bring shoulders, drainage structures, guard rail, etc., in compliance with the new elevations of the pavement. All this work will need to be done "under traffic", and there is no highway situation more fraught with danger than that produced by working in the roadway under traffic, especially high speed traffic accustomed to the relatively unrestricted and unconcerned driving conditions of freeways. Highway department experience continually verifies the extreme danger of working under traffic, danger not only to the workmen but to the highway users as well.

That heavier trucks will cause considerable extra damage to pavements almost goes without saying. The AASHO Road Test at Ottawa, Illinois clearly demonstrated the degree of distress imposed on pavements by heavy trucks. It is not a purpose of this report to present a discussion of the numerical values of indexes expressing such distress, but it can be said that an increase from 18,000 to 20,000 pounds axle loads is likely to increase the wear and tear on pavements by some 25% or so.

An important factor in pavement distress is the number of repetitions of the loads. This factor should be considered in any evaluation of future truck traffic, because the growth in the use of trucks in the United States is much greater than that anticipated by most highway planners. To cite one instance, design criteria for Interstate 80 in the vicinity of Iowa City, Iowa showed the estimated 1975 traffic volume (AADT) to be 20,010 vehicles per day of which 12% was estimated to be trucks. The actual traffic volume in 1968 is running about 15,000 v.p.d., which is probably about 2,000 v.p.d. more than anticipated, but the trucks constitute about 25% of the traffic volume. This means that the number of trucks in 1968 is almost twice the number for which the highway was designed to carry in 1975. Thus, the number of repetitions of heavy loads already greatly exceeds design values. Many miles of Inter-

state 80 in Iowa have needed extensive pavement patching and resurfacing in only about five years of operation.

These truck volumes also bring the traffic flow up to or above the traffic capacity of the facility because of the large number of equivalent passenger cars indicated and because of the high operating speeds during peak flows. During these periods the speeds average about 70 mph on Interstate 80 in Iowa. Capacity traffic volumes at such speeds probably breeds many accidents.

NEED OF RESEARCH

The assessment of prospective structural damage to bridges and pavements can be predicated upon a reasonable body of knowledge, but the same cannot be said of many of the other aspects of vehicle size and weight. For example, the geometry of the positions and paths of wheels and the overhang portions of combination truck units on curves and turns is so complex that much design data is based on measurements of small models. Other aspects of the truck-on curve situation, such as the likelihood of sliding toward the inside or toward the outside, must be resolved intuitively.

One area of needed research is, then, that associated with the operations of trucks and truck combinations of various sizes and weights under actual field conditions. Testing should be done with full size vehicles under all kinds of roadway, traffic and climatic conditions. This research also should include determination of the involvement of trucks in traffic accidents as one part of a comprehensive data collection and analysis program.

NEED OF TRANSPORTATION POLICY

It is more important still that research be done in the more fundamental aspects of the total transportation problem. A common expression for the state of transportation in this country is that it is "a mess". There is a lack of an effective and coordinated effort to establish and pursue long-range goals and objectives.

For example, it is ironic that present public policy is increasing the highway slaughter by encouraging more and more highway travel while at the same time it is throwing away a railroad transportation system which is at least ten times safer than highway transportation. The relative safety of rail travel is usually expressed in terms of passenger miles, but the same advantage holds true for freight: if some freight traffic could be shifted from the highway, safety would benefit.

Air transportation is in a critical state and has been for some time, and other media and situations present serious problems. The nature of the road system to be encouraged and supported by the Federal government is the subject of current deliberation.

A national transportation policy is needed, a policy such as that developed by the study initiated by President Franklin D. Roosevelt, which was begun in January, 1940 and completed in May, 1942. The report was published as "Transportation and National Policy," a very comprehensive summary of the situation at that time and a competent statement of worthy goals and objectives for the future. With proper support a similar study could be performed now and similarly could be completed in a relative short time.

For the present it would be well to hold in abeyance any critical policy changes, especially those which are of a piece-meal nature. In highway transportation no such change concerning traffic regulation should be adopted unless it shows promise of lessening the tragic toll of motor vehicle accidents.

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CHEMICAL WARFARE IN VIETNAM

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous material.)

Mr. KOCH. Mr. Speaker, I should like to bring to the attention of my colleagues an excellent study on chemical warfare in Vietnam by J. B. Neilands, professor of biochemistry at the University of California, Berkeley, as a further contribution to the ongoing discussion of chemical and biological warfare:

CHEMICAL WARFARE IN VIETNAM

(By J. B. Neilands, professor of biochemistry, University of California)

INTRODUCTION

This paper will furnish certain technical information on the particular chemical agents in use in the Vietnam war. It will also estimate the magnitude and purpose (or intent) of such use, and the relationship of this program of chemical warfare to international law. Finally, some suggestions will be made for appropriate action on the part of the scientific community.

So far as the author is aware, agents of biological warfare have not been deliberately deployed in Vietnam. It is true that rats, which are vectors of plague, are ecologically favored in the defoliated zones. The rat population also tends to build up in the garbage dumps around the refugee camps. Infectious agents follow all wars and the conflict in Vietnam is no exception. The incidence of plague in South Vietnam is such that, by the standards of the World Health Organization, all ports in the country should be closed.

Where does one draw the line between chemical agents and incendiaries? How should napalm be classified?

Napalm was first compounded by Professor Louis Fieser of Harvard University during World War II (29). The word was coined from the names of *na*phthenic and *palm*itic acids; subsequently it was found that the crude ingredients used by Fieser were not especially rich in palmitic acid. The original name has persisted, however, and is applied to all formulations of gelled gasoline. In a letter to me dated September 26, 1966, Fieser states: ". . . We certainly had no thought of use of napalm against non-military personnel . . ." But it is now accepted that napalm is dropped on open hamlets, incinerating civilians in their huts (30). The use of napalm has accelerated on the following scale: 2181 tons dropped in 1963; 1777 tons in 1964; 17,659 tons in 1965; 54,620 in 1966; by March of 1968 the total tonnage dropped by the Air Force had reached 100,000 tons (the Navy also drops napalm bombs and the Army uses the substance in flame-throwers) (8). Some years ago a type of napalm with superior adhesive quality was developed. This form, napalm B, consists of 50% polystyrene, 25% benzene and 25% gasoline (9). Dow Chemical is the sole supplier.

Most casualties from napalm probably arise from asphyxiation. This is a consequence of the fact that burning napalm sucks all of the oxygen from the atmosphere and, because of incomplete combustion, gives rise to carbon monoxide (6), (7).

White phosphorus is the classical ignition substance for napalm. Elementary phosphorus does not occur in Nature; on exposure to air it ignites spontaneously. As a munition, phosphorus can be delivered via either bombs or shells.

The maximum allowable concentration of white phosphorus in air is 0.1 mg/cu. m. (10). Dr. A. Behar, a French physician, writes: "Phosphorus has the particularity that inside the wound or burn, it burns slowly. On occasion this slow combustion lasts up to 15 days. At night can be seen the greenish light produced by the material that continues burning the flesh and bones. Besides this, accompanied by the wounds and the profound burns, the victims suffer a severe intoxication produced by the augmentation by three or more times the quantity of inorganic phosphorus in the body." (11). According to a manual of civilian defense: "One thing to remember about these phosphorus bombs is to be sure that the solid particles that are in the air do not touch your skin. They cause terrible burns . . ." (12). Evidently, this weapon is being directed at human targets: "We killed them one by one with grenades, direct hits with Willie Peter—white phosphorus artillery shells—or with napalm" said Major John Borgman of Aurora, Ind., commander of the Special Forces' Fifth Mobile Strike Force. (13).

AGENTS

Chemical weapons presently in use in Vietnam, as announced by official U.S. sources, may be classified as either (a) Herbicides or (b) Anti-personnel gases.

(a) Herbicides.[1] In late 1942 Dr. E. J. Kraus, Chairman of the Botany Department at the University of Chicago and an expert on plant hormones and growth regulators, suggested to committees of the National Academy of Science that "the toxic properties of growth-regulating substances for the destruction of crops or the limitation of crop production" might be of military significance (14). The U.S. Army then set up a large program on herbicide research at the recently established Camp Detrick; by the end of World War II more than 1000 different chemicals had been tested. In June, 1945, the Army was prepared to recommend the use of ammonium thiocyanate as a defoliant in the Pacific but the idea was rejected by higher civilian authorities on the basis that ". . . If we used this chemical, we would be accused of conducting poison gas warfare . . ." (14).

Following a field test of the butyl esters of the phenoxyacetic acids at Camp Drum in New York, the government of South Viet-

[1] Professor A. W. Galston of Yale University has published critical analyses of the defoliation of Vietnam in: *Scientist and Citizen*, 9 #7, 1967; *CBW:* Chemical & Biological Warfare (S. Rose, ed.) Harrap, 1968; *New Republic*, Nov. 25, 1967; *New Scientist*, June 13, 1968.

nam asked the U.S. Army to apply defoliants for control of guerilla forces. Preliminary tests carried out in Vietnam between July, 1961, and April, 1962, demonstrated that the esters of 2,4–D and 2,4,5–T were capable of killing most of the plant species in that country. Thailand, having similar vegetation, was used as a test site for development of other sprays; simultaneously, the Army conducted tests in Texas and Puerto Rico. A seventy mile stretch of Highway 15 out of Bien Hoa was sprayed in early 1962 and a high Vietnamese official said: "Tests have shown that manioc and sweet potatoes die four days after having been sprayed. These are the two most important food staples for the communist bands in the mountains." (14). The first operational spraying of herbicides for crop destruction in known Viet Cong strongholds was carried out in late November, 1962 (14).

The first group of C–123 cargo planes, equipped with tanks and spray nozzles, arrived at Tan Son Nhut airport on November 29, 1961. From this modest beginning, "Operation Ranch Hand" has escalated to a level which requires the better part of $100 million annually for chemicals alone. Table I shows estimated areas sprayed through 1968. In the first 9 months of 1967, over 10% of the area treated was crop land.

TABLE I.—ESTIMATED AREA TREATED WITH HERBICIDES IN SOUTH VIETNAM (14)

[Acres per year]

Year	Defoliation	Crop destruction	Total
1962	17,119	717	17,836
1963	34,517	297	34,814
1964	53,873	10,136	64,009
1965	94,726	49,637	144,363
1966	775,894	112,678	888,572
1967 (January–September)	843,606	121,400	965,006
1967	1,486,446	221,312	[1] 1,707,758
1968	1,297,244	87,064	[1] 1,384,308

[1] These data from the Guardian, May 3, 1969.

Three main types of herbicides have been used, viz, phenoxyacetic acids (2,4–D and 2,4,5–T), cacodylic acid and picloram. Table II gives some characteristics of these substances:

TABLE II.—HERBICIDES USED BY U.S. MILITARY FORCES IN VIETNAM

Chemical	Name		Toxicity	
	Common	Code [1]	Man	Plants
2,4-dichlorophenoxy. cetic acid	2,4-D	Orange	Low	General defoliant.
2,4,5-trichlorophenoxyacetic acid	2,4,5-T	do		
Dimethylarsinic acid	Cacodylic acid.	Blue	Moderate	Rice.
3,5,6-trichloro-4-aminopicolinic acid	Picloram	White	Low	Broadleaved crops.

[1] "Orange" is a 50–50 mixture of the n-butyl esters of 2,4-D and 2,4,5-T; agent, "purple" is similar with some isobutyl ester of 2,4,5-T replacing the n-butyl ester of this herbicide.

The phenoxyacetic acids are the favorite herbicides for Vietnam; in 1967 and 1968 the Department of Defense commandeered the entire U.S. production of 2,4,5-T, amounting to some 13 or 14 million pounds. (15). If applied once, the phenoxyacetic acids probably will not kill trees; if applied repeatedly, trees may be killed. In the soil these particular herbicides are rapidly degraded to harmless products. The greatest threat from their massive application in Vietnam is that they may denude the land, alter the ecology (including that of the soil) and possibly change the climate. Up to half of the dry weight of many soils may be microorganisms—bacteria, fungi, other organisms—and much of this life exists in a rhizosphere fed by organic substances excreted by plant roots. Total destruction of the vegetation could lead to extensive soil erosion. Much of the soil of South Vietnam is lateritic and unless it is covered by plant growth it could become baked into a rock-like consistency (laterite) and irreversibly lost for agricultural purposes. (16).

Cacodylic acid is being used to kill rice in the Viet Cong areas. It contains 54.29% arsenic. The LD_{50} in dogs is about 1[2] kilo, which means that it is a fairly toxic substance. U.S. authorities have stated that it is no more toxic than aspirin. Nothing is known about the fate of this substantial amount of arsenic introduced into the biosphere. Once reduced from the 5+ to the 3+ state, arsenic becomes much more toxic. Demethylation of cacodylic acid renders it 10 times more poisonous, and biochemical systems are known which are capable of this reaction.

Picloram, the third main herbicide applied in Vietnam, is similarly hazardous. In one test, only 3.5% of the administered dose vanished from the test plot in 467 days. It thus retains phytotoxicity for a very great period, possibly decades. Picloram, which is also manufactured by Dow Chemical, is not authorized for use on a single American crop (17).

Obviously, total destruction of vegetative life results in the elimination of all animal life as well. No one can say what Operation Ranch Hand will ultimately do to the ecology of Vietnam (18, 19). One study has been made of possible consequences, without any field work in Vietnam (14). The Department of Defense then sent one plant scientist to Vietnam but he stayed for only one month, ventured no more than a few yards out of camps and made no attempt to examine the crop destruction program. (20). The latter amounts to the use of starvation as a weapon (31).[2]

(b) Anti-personnel gases. On March 22 and 23 of 1965 the New York Times and other news media made the first report on the use of antipersonnel gases in Vietnam. White House Press Secretary George Reedy called the gases "riot control" agents and said President Johnson was not consulted on their use. There was an immediate world-wide reaction. Secretary Rusk stated that the gases used in Vietnam were not banned by the Geneva Protocol of 1925, and he implied they would be used only in "riot control" situations. A State Department source was quoted as saying: "The Geneva protocol of 1925, prohibiting the use of 'asphyxiating, poisonous and other gases', was never ratified by the U.S. Senate. So, the U.S. is not bound by it. But the State Department does not consider the use of riot-control gas in Vietnam as a violation of this agreement anyway."

Secretary McNamara then released data on CN, CS and DM, the three gases he said were chosen for use in Vietnam (see Table III).

TABLE III.—CHARACTERISTICS OF ANTIPERSONNEL CASES ADMITTED TO BE IN USE IN VIETNAM (32) [1]

Agent	Code	Effect	LCt_{50} mg/-min/m[3]
Chloroacetophenone	CN	Harassing, lachrymation.	8,500
o-chlorobenzalmalononitrile	CS	Harassing, nausea.	Large
Diphenylaminochloroarsine	DM	do	30,000

[1] There is an unconfirmed report that use of DM was withdrawn.

By late 1965 it was not difficult to find news items such as: "Marines Use Tear Gas in Caves to Oust Vietnamese Civilians" (23), i.e., the "riot control" use had given way to underground application (24). An air pump, called a "Mighty Mite", was devised for pumping the gas into tunnels (5). A compilation of press reports indicates that these gases are in massive use in various ways in Vietnam (5).[3]

Thus far there has been no detailed accounting of the number of casualties arising from the use of gas, but the total must be a substantial figure. In one operation an Australian soldier, Robert Botwell, was killed by a combination of smoke and "non-lethal" gas even though he was wearing a mask (6, 25). A Canadian doctor who spent several years at the Quang Ngai Hospital in South Vietnam writes:

"During the last three years I have examined and treated a number of patients, men, women and children, who had been exposed to a type of war gas, the name of which I do not know. The type of gas used makes one quite sick when one touches the patient, or inhales the breath from their lungs. After contact with them for more than three minutes one has to leave the room in order not to get ill.

The patient usually gives a history of having been hiding in a cave or tunnel or bunker or shelter into which a cannister of gas was thrown in order to force them to leave their hiding place. Those patients that have come to my attention were very ill with signs and symptoms of gas poisoning similar to those that I have seen in veterans from the first World War treated at Queen Mary Veterans Hospital in Montreal. The only difference between these cases was that these Vietnamese patients were more acutely ill and, when getting over their acute stage, presented a similar picture to that of the war veterans.

Patients are feverish, semi-comatose, severely short of breath, vomit, are restless and irritable. Most of their physical signs are in the respiratory and circulatory systems . . .

The mortality rate in adults is about 10% while the mortality rate in children is about 90% . . ." (26).

An article in the Saigon Post, October 11, 1967, titled "U.S. Tear Gas Use Saves Lives of Viet Innocents" provoked this response from an eyewitness: "About three and one half months ago I was involved in an attempt to be of assistance to some six thousand new refugees that had been created in Quang Ngai Province by a forced evacuation of an area under Viet Cong control . . . I took two of them, a ten year old boy and a twelve year old girl, by far the most serously ill, and drove the eight miles back to Quang Ngai. Emergency measures proved fatal for the boy, he was in the morgue the next morning when I went to the hospital: he died from an overdose of tear gas . . . The victims reported

[2] Admiral Wm. Leahy, in response to a suggestion made in 1944 that biological agents be used to destroy the Japanese rice crop, said such activity would ". . . violate every Christian ethic I have ever heard of and of all the known laws of war." (*I Was There*, Wm. Leahy, McGraw-Hill 1950).

[3] CS gas is exploded in bunkers to render them uninhabitable (Montreal Star, April 19, 1969 p5)

that about twenty women and children did not even make it out of the cave . . ." (27).

There have been unconfirmed reports that agent BZ, an "incap", has been released in Vietnam; so far as the writer is aware, these reports have never been documented and verified. In late 1968 a chemical trade journal announced that plans exist to manufacture 2.16 million pounds of an "irritant", presumably CS(28).

APPLICABLE LAWS(6)

The Hague Convention of 1907, signed and ratified by the U.S., declared in its Article 25: ". . . belligerents do not have unlimited right concerning the choice of means of doing harm to the enemy." After World War I there was universal horror about the effects of gas, and this led to the Geneva (Gas) Protocol of 1925. The text of the substantive part is: "Whereas the use in war of asphyxiating, poisonous or other gases, and of all analogous liquids, materials or devices, has been justly condemned by the general opinion of the civilized world. . . ." [4]

By the 1930s there was a common agreement among nations, or at least an understanding, that the laws and customs of war had been well codified. Then came the Nazi atrocities, followed by the Tribunal at Nuremberg. While aggression, or a crime against the peace, was recognized as the most important fracture of international law, Nuremberg took note of two other types of crimes, viz., ". . . murder, ill-treatment or deportation to slave labor or for any other purpose, of civilian populations of or in occupied territory, murder or ill-treatment of prisoners of war or persons on the seas, killing of hostages, plunder of public or private property, wanton destruction of cities, towns or villages, or devastation not justified by military necessity . . .", and "Murder, extermination, enslavement, deportation and other inhuman acts done against any civilian population . . . in connection with any crime against peace or any war crime." These were the war crimes proper, and the crimes against humanity, resp. Another relevant statute is the Genocide Convention adopted by the General Assembly of the United Nations in 1946. The following articles are pertinent:

"Article I

"The contracting parties confirm that genocide, whether committed in time of peace or in time of war, is a crime under international law which they undertake to prevent and punish.

"Article II

"In the present convention, genocide means any of the following acts committed with intent to destroy, in whole or in part, a national, ethnical, racial or religious group, as such:

"(a) Killing members of the group

"(b) Causing serious bodily or mental harm to members of the group

"(c) Deliberately inflicting on the group conditions of life calculated to bring about its physical destruction in whole or in part.

"(d) Imposing measures intended to prevent birth within the group.

"Article III

"(Enumerates the acts to be punishable)

"Article IV

"Persons committing genocide or any of the other acts enumerated in Article III shall be punished, whether they are constitutionally responsible rulers, public officials or private individuals."

To what extent are citizens and soldiers of the U.S. bound by these agreements. The U.S. Constitution in Article VI, Cl. 2, states: "This Constitution, and the Laws of the United States, which shall be made in Persuance thereof; and all Treaties made, or which shall be made, under the Authority of the United States, shall be the Supreme Law of the Land; and the Judges in every State shall be bound thereby, any Thing in the Constitution or Laws of any State to the Contrary notwithstanding." The responsibilities of military personnel are enunciated in Section II, Par. 498 of the Department of the Army Field Manual: "Any person, whether a member of the armed forces or a civilian, who commits an act which constitutes a crime under international law is responsible therefore and liable to punishment. Such offenses in connection with war comprise: (a) Crimes against peace, (b) Crimes against humanity, and (c) War Crimes . . ."

We have already noted that the U.S. claims that the Vietnam antipersonnel gases are not covered by the Geneva Protocol and, even if they were, this country is not a party to the agreement. But the U.S. supported a United Nations resolution in 1966 which asked all states to adhere to the Protocol. Furthermore, the Protocol explicitly outlaws *all* gases without exception.[5]

It is interesting to compare this body of international law with a statement attributed by US News & World Report (2-15-65) to Ambassador Henry Cabot Lodge: "As far as I'm concerned, the legal aspect of this affair is of no significance . . ."

CONCLUSION

1. By the massive and unrestrained use of herbicides and anti-personnel gases in Vietnam, the U.S. is in violation of numerous international laws, including those pertaining to genocide.

2. The land of Vietnam, in the South, has been drenched with herbicides on a scale unprecedented in history. Certain of the agents used, i.e., picloram, have not and would not be approved for similar use in the United States. No one can forecast what effect these herbicides will have on the human population, the total ecology and the future agricultural productivity of the soil.

3. By maiming and killing civilians, most of whom are children under five, pregnant and lactating women, the aged and infirm, with application of anti-personnel gases in confined spaces, the United States is guilty of crimes against humanity. Furthermore, such use of anti-personnel gases has tended to legitimize chemical warfare.

RESPONSIBILITY OF THE AMERICAN SCIENTIST

Existing scientific associations being compromised beyond redemption, the onus is upon scientists to form a specific organization which will educate the public on the facts of (a) chemical warfare abroad, as in Vietnam, and (b) research on chemical warfare agents such as is conducted at military installations (Detrick), universities (most) and in the colonies (islands, Latin America). Such an organization, named "Scientist's Committee on Chemical & Biological Warfare", was set up at the Dallas meeting of the American Association for the Advancement of Science in December, 1968. Professor E. W. Pfeiffer of the Zoology Department of the University of Montana and the writer are serving as Executive Secretary and Chairman, respectively.

The Geneva Protocol should be ratified by all nations and attempts should be made to secure international agreements for elimination of research on Chemical and Biological weapons.

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ADDENDUM

Professor E. W. Pfeiffer, Executive Secretary of the Scientist's Committee on Chemical and Biological Warfare, visited South Vietnam in the period March 17 to April 1, 1969, under the auspices of the Society for Social Responsibility in Science and Scientific Research Magazine (McGraw-Hill), Pfeiffer flew on a defoliation mission, made a 3 hour trip by boat through the lower Saigon River and talked with military personnel,

[4] Originally ratified by 42 nations, subsequently by many more; signed but never ratified by the United States.

[5] Even in the absence of ratification, the U.S. can be charged with crimes "recognized as such by common, public demand, and by the existing laws of humanity" (Nuremburg Judgment).

[6] Review articles appear in *Science* 155, 174, 299, 1967 (Elinor Langer); Viet Report, June/July, 1966 (Carol Brightman); *Scientist & Citizen*, Vol. 9, No. 7, 1967

plantation owners and scientists. Hardly any animal life was sighted in the estuary of the Saigon River. Elsewhere, a substantial fraction of the forest trees were observed to have been killed. (The Pentagon reported in 1967 that 16% of the forest area in South Vietnam had been treated; spraying in the Mekong Delta or in North Vietnam has been denied). Pfeiffer concludes that if sufficient equipment were available, the entire country would have been defoliated as of this date (*Missoulian*, Missoula, Mont., April 13, 1969, p. 33–34).

Note added in proof: The use of the persistent herbicide picloram has been justified on the grounds that insufficient phenoxyacetic acid type herbicide are produced in the United States to satisfy the demand in Vietnam. However, in early 1969 the Department of Defense announced cancellation of a contract for reactivation of a herbicide manufacturing plant in St. Louis (see *Science, 164*, 373, 1969).

THE WONDROUS DEPLETION ALLOWANCE COLORING BOOK

(Mr. PODELL asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. PODELL. Mr. Speaker, much has been said about depletion allowances, and tax privileges gained by certain industries through them. The theory involved is simple. If a mineral or other substance is being removed on a profitable commercial basis from the earth, it is being depleted. Future generations will be unable to take fullest advantage of the deposits. Color it gray for partially diminished.

So Government kindly allows a percentage depletion allowance to the company depleting a natural resource by engaging in a most gainful enterprise. Color the Government most generous.

Almost everything which can be removed from its natural state and turned into a salable item is entitled to a depletion allowance of some sort. Color all depletion allowances enormously valuable. A list of minerals and substances and what percentage of depletion they are allowed for tax purposes by the Government is as follows:

1. 27.5%—Oil and gas wells.
2. 23.0%—Sulphur and uranium. If mined domestically . . . asbestos, bauxite, and the ores of the metals cobalt, lead, manganese, mercury, nickel platinum, thorium, tin, titanium, tungsten, zinc and 23 other strategic minerals. Certain domestic deposits of clay, leterite and nephelite syenite.
3. 15%—Certain clays, asphalt, vermiculite. Clam, oyster and mollusk shells. All other minerals except soil, sod, dirt, turf, water or mosses, or minerals from sea water, the air or similar inexhaustible resources.
4. 10%—Asbestos, coal, lignite, salt and three other minerals.
5. 5%—Brick, gravel, sand, peat, primice, scoria, rough stone and certain brine well products.
6. 7.5%—Clay and shale.

Please note that at the very top of this list are oil and gas wells. All in a class by themselves. Color them most highly privileged of all taxwise by our Government. Untouched save by any foolhardy challenging party. Color them silly to attempt to cut oil industry tax privileges. Color the oil companies very powerful.

I have a serious suggestion to make to the powers that be, our Internal Revenue Service and the public at large. Is an average working person not entitled to a personal depletion allowance? After all, he labors daily, depleting the finite store of energy, good health and vitality nature and the Almighty endow him or her with. As his efforts are expended in toil he swiftly becomes a badly diminished resource to those dependent upon him for sustenance. He is never as valuable or good tomorrow as he is today.

He is never as good today as he was the day before. As he tires, collapses, becomes ill or dies, he becomes a totally depleted resource which eventually must be written off by those dependent upon him for their wherewithal. Illnesses and accidents all deplete his real value in priceless terms. If an oil well can be written off 16 times over, as has been proven, can a man not be written off at least once for his own tax purposes? Color the individual victimized by inflation and highly overtaxed.

If we grant depletion allowances in some amount to almost every extractive industry in the Nation, shall we not consider the average head of a household? Is he not as valuable as a pool of oil, a pocket of natural gas or a coal seam?

Another step follows. Shall an individual not be allowed to incorporate and sell stock in himself, taking the same tax privileges other businesses are allowed? Should he not be able to deceive the rest of our public with false gambling games which promise much and give little? How about issuing credit cards, including totally unsolicited ones? Every free American should have the same right to plunder the Treasury as individual oil companies now do. Color the rest of us temporarily deprived. Sauce for the goose and all that, you know.

Mr. Speaker, oil companies are using their depletion allowance, the largest granted, to extract not only oil from the ground but gold from the American taxpayer's goose. Color it cooked. Color our National Treasury white as it is drained. Color our Government helpless and inactive. Color our Congress passive and surtax minded. Color the taxpayer outraged. Yessirree. That wondrous depletion allowance. Color it bright green for profits and black for oil.

WHERE IS REAL OBSTACLE TO PROGRESS IN PARIS—SAIGON OR HANOI?

(Mr. THOMSON of Wisconsin asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. THOMSON of Wisconsin. Mr. Speaker, we have heard in this Chamber and in our press many criticisms of the South Vietnamese Government and its leaders. I find it curious that we hear so little criticism of the leaders of Hanoi and of the so-called National Liberation Front, or Provisional Revolutionary Government as it is now called. Each side in this bitter, protracted conflict has ample cause to suspect the other. But at least the South Vietnamese Government knows that negotiations are the only way out of this tragic situation, they are ready to have these negotiations. President Thieu's latest speech has shown this. But what does the other side insist on? The replacement of the elected leaders of South Vietnam before negotiations can even get started in a serious way.

Last fall, at the time of the bombing halt, the other side agreed to sit down with representatives of the Republic of South Vietnam and ourselves to negotiate seriously and productively, yet now they demand that the South Vietnamese Government somehow transform itself before talks can proceed. Does this show any serious interest in negotiating? Where is the real obstacle to progress in Paris—Saigon or Hanoi? This is the question which I think should be squarely faced by those who are always ready to criticize the South Vietnamese Government and yet curiously fail to criticize the real obstructionists—the North Vietnamese leaders and their southern associates in the National Liberation Front. I think it is time to place the criticism where it belongs.

IMPROVEMENT AT DULLES

(Mr. GUDE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. GUDE. Mr. Speaker, over a decade ago with the aid of comprehensive airport consultant studies Federal authorities selected the Chantilly, Va., site for the construction of the major Washington area airport, later to be named Dulles International Airport. In selecting the location authorities were influenced in great measure by the then projected U.S. highway system. Unfortunately, a portion of the projected system has not come to reality. The extension of Route 66 to the Potomac River, joining a bridge upstream from Georgetown, was then planned.

The Dulles site was predicated on what had been planned as a 30-minute journey by U.S. highway standards. The proper development and use of all three Washington area airports will not be achieved until we have the necessary surface transportation to these facilities, by highway, by bridge, and by transit. The conversion of National Airport to a short haul facility resulting in the increased use of Dulles and Friendship, will not be achieved until the fields are more readily accessible.

We must halt the shocking waste of taxpayers' money invested in Dulles which result from the failure to fully and properly utilize these facilities. Failure to properly utilize Dulles Airport has sent National Airport traffic to unheard of volumes as the stream of jet traffic increases over the city's cultural and residential centers.

The presently planned regional transit authorization legislation has been updated to provide for a planning and feasibility study to extend the transit to Dulles. May such planning and the pursuant studies lead to suitable application.

Mr. Speaker, I commend to my col-

leagues the following editorial from the Washington Evening Star of July 8, 1969:

IMPROVEMENT AT DULLES

It is good that passenger traffic at Dulles International Airport increased by some 30 percent in the first five months of this year as compared to the same period in 1968. But this isn't good enough.

The five-month passenger total at Dulles was 832,095. During the same time period at National Airport, however, the total passenger count was 4.1 million. This was a 5.2 percent increase at National, which was dangerously overcrowded a year ago.

Both the plane-riding public and the airlines prefer National, despite the risks, because it is close to downtown Washington. But this is no excuse for tolerating an increasingly hazardous condition when the splendid facilities at Dulles are under-used.

The gain at Dulles demonstrates that it can be attractive to an increasing number of people, and every effort should be made, by persuasion, compulsion, or both, to divert more traffic to its runways. The main hitch, of course, is distance. It now takes longer to get to Dulles and back than is the case with National. But this is not an insuperable problem.

There is no good reason why rapid transit cannot be made to serve Dulles, and Senator Spong of Virginia wants to include $100,000 in the pending Washington metropolitan rapid transit authorization bill for a planning and feasibility study to this end. Senator Spong's idea is to extend the rapid transit system from its currently planned terminus in Falls Church to the international airport, using the median strip of the Dulles access road. This is the least that should be done—and done before disaster strikes at National.

PROTECTION OF THE BLUE CRAB

(Mr. GUDE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. GUDE. Mr. Speaker, one source of the greatness of the State of Maryland is the blue crab. Maryland citizens have long sung its praises in its stellar roles as crab imperial, soft shell crab, and in the incomparable crab cake. We even affectionately call our State Capital Crabtown. But today there is a growing concern in Crabtown—the decline in the blue crab is a serious problem. In 1965 the blue crab industry was worth $3,434,000 and in 1968 $1,392,000. This represents a drop in crab poundage from 34,692,000 in 1965, to 9,561,000 in 1968. (All 1968 figures are preliminary.) Possibly there could be an upswing in catch, but scientists do not fully understand the habits of the blue crab when it is in the waters of the Chesapeake Bay.

The Department of the Interior has allocated study funds to learn more about the reduction of the blue crab population. I hope the Maryland and Virginia authorities give serious consideration to matching these funds which can help in determining how the population of the valuable Bay resource can be increased. However, authorities are pretty much in agreement that poaching the immature crabs—less than 5 inches in spread—seriously reduces the potential crab population.

The inhabitants of the Chesapeake Bay are traditionally under the jurisdiction of the States in which they reside. Therefore, the responsibility of protecting the blue crab rests with the States involved. Maryland State marine police are working hard to stop the poaching of young crabs by halting truckers shipping the young or underdeveloped crabs to Baltimore and Annapolis and confiscating the undersized crabs. I hope our neighbor to the South will actively follow Maryland's example by enforcing existing laws to stop the stealing of the young crab. It would be entirely inappropriate that we in Congress would have to consider Federal legislation to protect the blue crab in order that it best fulfill its culinary and economic role in life.

A SALUTE IN POETRY TO OUR HONORED SERVICEMEN IN VIETNAM

(Mr. STRATTON asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. STRATTON. Mr. Speaker, a friend of mine, Jim Nolan, of Sidney, N.Y., recently wrote to me of some of the conversations he has had with young men coming back from duty in Vietnam.

Mr. Nolan told me he had found the sentiments of these men in accord with your ideals and mine, that the United States is needed in Vietnam and our presence there has not been in vain. He said:

I have written a poem, "Soldier's Lullaby," which I believe depicts the feelings of these young men fighting a war many thousands of miles away from home, so that we, all of us, might enjoy the freedom that other thousands have died for over the years.

Under leave to extend my remarks I include this very eloquent poem by Mr. Nolan:

A SOLDIER'S LULLABY

(By James Nolan)

Up in the sky so bright and clear
I see my star my guiding light.
Over shattering guns that are so near
I tell myself, we must be right.
My Mom I'm sure is thinking of me
But how I wonder what the rest do feel.
My foe across the River Red, I do not see.
He lays in wait with gun and zeal.
The day is over and night creeps in.
I choose my bed in thickets high,
The mud and cold not that of an Inn.
My solitude tonight while bullets fly.
A gun replaces the pillow I knew.
The blanket of dew so very wet
It could be worse, we have no snow
But why complain, we will win this yet.
And Mom of Mom's, my very own,
Tonight I ask your prayers for him,
The boy I'll fight and hear his groans;
A soldier like I, he fights to win.
My Guardian Angel I know is close.
If God decides he wants me next,
I leave this message for all to host.
I die not in vain, just read the text
"The Declaration of Independence."

APPALACHIA INCLUDES OZARKIA

(Mr. RANDALL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. RANDALL. Mr. Speaker, I supported H.R. 4018, the bill to extend the Appalachian Regional Development Act of 1965 on Tuesday, July 15. Because I have opposed this legislation in the past and voted against the authorization, and the appropriation, both in 1965 and again in 1967, I concluded I should set out for the RECORD the reasons why I withheld support in those other years and why I find the present measure worthy of support.

In the earlier Appalachia proposals I was of the belief that the project undertaken had not been carefully conceived. I saw the possibility of wasteful administration. I was fearful there would be an inordinately small benefit in ratio to the cost. Part of my objection against the earlier Appalachia bill was due to the fact that I supported the first war on poverty only to see it evolve into a sort of grab bag from those many administrative people, to the exclusion of help among the disadvantaged who should have been the recipients.

I announced as one of my reasons for being against Appalachia in former years was the fact that we in the Missouri, Arkansas, and Oklahoma Ozarks really had our own Appalachia with problems similar, if not identical, to those which existed in the Appalachian Mountains. Now I find that H.R. 4018 includes five economic development regions in addition to Appalachia, such as the Ozarks regional development area, the New England regional development area, the Upper Great Lakes regional development area, the Four Corners regional development area, and the Coastal Plains regional development area.

There are 44 Missouri counties now included in the Ozarks Regional Commission. Three of these counties are in the Fourth Missouri District which I have the privilege to represent. They are Barton, Benton, and St. Clair Counties. Moreover, the Missouri Legislature recently added Morgan County to the Fourth Missouri District and this county is contained within the area to be administered by the Ozarks Regional Commission.

One of the longstanding objections to the Appalachia program has been the contention that this is simply another development program or another overlapping layer of assistance. I had reasoned that there was basically the Economic Development Act, then the poverty program, and on top of all that, Appalachia. Of course, it has been argued that all these Federal programs were in addition to State assistance programs.

But, Mr. Speaker, in this bill, there have been new safeguards written to assure against overlap and duplication from other programs. I have confidence that the way this bill is written that such programs as the Federal water pollution program, the Watershed Protection and Flood Prevention Act, the Land and Water Conservation Act, may have application in these areas, but there will be no duplication or overlap in the effort, to correct one of the greatest problems in America today, which is rural-urban imbalance. One objective of this program is to attract light industry to lo-

cate in rural areas by means of certain incentives. This is to prevent further migration of marginal farmers from the rural areas to the big cities. I have confidence that H.R. 4018 will help in this effort because there is a provision for plantsite development. We are never going to solve the problems of the big cities alone unless we keep the people in the rural areas from migrating to the big cities. The only way to prevent this is to create a sound economic base in rural areas. I think this Regional Development Act will be effective toward this objective.

It is encouraging to know this act calls for the promotion of programs to attract the investment of private capital in regional districts. This device I heartily applaud because it was one of the key provisions of my H.R. 332 or, the rural revitalization bill.

The theory of the programs contained in the Regional Commission's provision of the bill is to assist in self-help toward creating better opportunities for the people in the area. I was delighted to observe that the element of welfare was completely missing because matching funds from local sources are required before the programs of this act can be implemented. This is the principal of local-Federal partnership at its best.

During hearings before the House Public Works Committee on this legislation, Mr. William M. McCandless, Federal Cochairman of the Ozarks Regional Commission presented testimony which I understand had been previously endorsed by the Honorable Warren Hearnes, Governor of Missouri. In outlining the program planned by the Ozarks Commission for the next 2 years, Mr. McCandless delineated these areas of activities:

First. Technical education, consisting of training programs for developing and sharpening occupational skills.

Second. Industrial and recreational access roads. This is a long range program, but one which is vitally needed for making industrial locations attractive to outside investors of private capital, and for bringing Missouri's vast recreational facilities more conveniently to the public.

Third. Airport development and modernization; a very worthy undertaking looking toward the anticipated expansion of private air transportation in the coming years.

Fourth. Industrial park and plant site development. This, too, is a forward-looking project for gathering new industry into southwest Missouri.

Fifth. Hospital and health facilities. This region requires an upgrading of its medical facilities in order to adequately care for its present residences, and as a vital element in making Missouri more attractive to potential employers.

There is no denying I had such great misgiving about the overlap and duplication of effort in the first Appalachia bill that I could not support it. I also believed that all the taxpayers of America should not have to pay for special benefits for one small region. Now that there have been six regional development areas included as a part of what was once only Appalachia and which new areas are located in the West, the North, the Midwest, the Northeast, and the Southeast in addition to the old Appalachian area, the program is truly national in its scope and extent. The old objection no longer prevails.

As this authorization is approved, I know we all hope and, yes pray, that it may contribute on a self-help basis toward the solution of what remains one of our greatest problems—rural-urban imbalance. There is not enough money in the Treasury to rebuild our cities as long as the migration to these great cities continues. Unless those living in the rural areas can be persuaded to remain in the rural areas, the problem of the cities will never be solved. That is why I supported the extension of the Regional Development Act.

REPUBLIC OF KOREA

(Mr. ALBERT asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ALBERT. Mr. Speaker, early in March it was my honor and pleasure, at your direction, to serve as Chairman of a group of Members of the House of Representatives who visited the Republic of Korea in response to an invitation extended to you by the distinguished vice speaker of the Korean National Assembly, who suggested in his invitation that an exchange of views between our two legislative bodies would be beneficial to our respective countries.

Our delegation was impressed with the character of the people of Korea. We were impressed by their courage and their desire to remain free. We were impressed at the extent to which that determined country had been able to build an increasingly productive economy out of the very ashes of war. Above all, we were impressed with the warmth of the friendship which was displayed on every turn. Every person whom we met greeted us as a friend. We were so pleased that in the National Assembly all party lines were melted in the friendship which that great parliamentary body showed to our delegation and, what is more important, through us, to the American people.

We were pleased by the honors which were bestowed upon us on every hand. The faculty and the students of the great Seoul National University welcomed us with a friendship that is rarely seen. We were so pleased that they desired to identify us with that magnificent institution whose scholarship is world renowned.

The President of the Republic, the leader of a great friend and ally, opened not only the doors of the Blue House, but his heart and the hearts of his countrymen to us. For all this, we were and are very grateful.

At the end of our Korean visit, our group unanimously expressed the hope that a similar delegation from the Korean National Assembly might visit the United States in the near future. You, Mr. Speaker, generously and wholeheartedly concurred with this and issued an invitation to Speaker Hyo Sang Rhee of the Korean National Assembly for a delegation to visit us. To our great pleasure the invitation was accepted and this week we have been privileged to have visiting the United States a distinguished delegation of members of the Korean National Assembly.

The delegation has had an opportunity to meet with the President, the Vice President, former President Lyndon Johnson, Secretary of State Rogers, and Secretary of Defense Laird. We were happy also that their visit to this country coincided with yesterday's launch of Apollo 11 and the delegation was able to view that magnificent accomplishment.

The bipartisan Korean delegation is led by a distinguished Korean statesman, the Honorable Kyung Soon Chang. He and his delegation, representing all segments of the National Assembly, exemplify and truly represent the great Korean people.

Today, the last day of the official visit of the Korean delegation, Vice Speaker Chang delivered a major address to Members of Congress and invited guests. He made a most eloquent statement on the difficulties faced by that courageous nation in the light of the consistent threat from the Communist enemy in North Korea, and on the many accomplishments of that country. The vice speaker proposed that the people of our two countries rededicate ourselves to our common supreme commitments that have brought us so far together. The vice speaker's address was extremely well received and I am pleased to insert it in this point in the RECORD:

ADDRESS OF HON. KYUNG SOON CHANG, VICE SPEAKER, KOREAN NATIONAL ASSEMBLY, CHAIRMAN OF KOREAN PARLIAMENTARY DELEGATION TO THE UNITED STATES

Along the turbulent fronts across the Pacific, numerous sentinels of the Free World are valorously holding to their positions with varying visions and performances, yet the role of Korea is unique. The people of America have in Korea a small but most dedicated and dependable ally which has undergone many trials with them and, in the process, has become even more tempered and resolved to withstand further trials together and meet challenges together in the more uncertain days ahead. Indeed, with the American people's generous consent, Korea can pride itself as a living monument to the selfless struggle of the pioneers of freedom and justice and as an undecaying milestone on the arduous road leading to this supreme goal of the age.

Korea is resolved to make itself a success story of the crusade committed to this highest cause of man in which the sons of our two countries are indivisibly joined together. The heartbreak ridges running across the middle of Korea overlooking two different worlds and over which many gallant sons of our two countries and many other free nations have shed their precious blood do not allow us to desert them and turn Korea into a failure story. I know I'm not alone in hoping that those heartbreak ridges will someday be made the blessed hills that weld north and south together and where hope and reality are reunited.

It is gratifying to note that Korea is now at a take-off stage in many respects, but it will be many years before it is completely airborne. It is indeed at this take-off stage

that Korea requires a concentrated and sustained thrust. If such thrust is lacking at the take-off stage, the consequences will be more disastrous than at the pre-take-off stage. We can certainly be proud of the impressive progress made in our country in the past several years, but what we prize more than this tangible progress is the amazing growth of the aspirations of the people to develop the country and meet challenges squarely, not shunning responsibilities and not retreating an inch from the bulwark the free world built for us and with us and counts on us for its defense. I assure you that these aspirations will continue to grow in us and with us and that the dedicated and disciplined leadership of our country will not fail its people and the people of its trusting allies.

We do not propose to pray for the automatic collapse of our enemy. Our enemy is not going to falter so easily, nor is it going to fade away on its own. Our goal is to harden our military bone and economic muscle as much as we can so that the enemy will not be tempted to destroy us. Our enemy is the most inscrutable monster that has ever inhabited the world. It is being guided by its own superstition that requires worship of tomorrow at the permanent cost of today, sacrifice of the people for the sake of people, destruction of many to make room for a few, and which takes delight in uprooted minds and proliferation of distress. This monster has sworn by its own superstition to fall upon us whenever it decides that we are off guard.

We politicians tend to talk big and loud regardless of the size of the countries and issues they represent. But I wish I could talk even louder in heralding the urgent reality of realities faced by Korea which is most sensitive to the danger and which cannot compromise itself, hoping that anyone and any ally on vacation might soon return. It is time for us to end the honeymoon with a false sense of security and vain hope of peace and stability. How hard have we tried to have a sensible dialogue in Geneva, Paris, Panmunjom, and many other places, but how often and how ruthlessly have we been abused and betrayed! The rest of the agenda demands of us the display of deeds more than the trading of words.

It may be more than a coincidence that the people of America today get two different messages from two different places. One is, of course, from the moon, and the other is from Korea. The message from the moon is: "All is calm, all is peace." But the message from Korea is: "All is tense, all is astir." The message of Korea that I'm conveying to you now is not tinged with racist chauvinism, militant adventurism, and profiteering opportunism. Korea is pitted against its own race ruling out any racist motivation, Korea is wedded to orderly modernization outlawing any adventurist outrages, and Korea places justice and true alliance before amassing material wealth and comfort. Tasks confronting Korea are bitter but sublime.

Some might regard Korea, a divided nation, as being less than a nation. But it is, to all intents and purposes, more than a nation, because it symbolizes and represents the hopes and interests of all the free nations and because it duly demands international attention and exertion and as, above all, its own requirements and efforts are extraordinary and supernational. Korea is the first serious test of the age to see if free men and free nations can rally together in the pavilion of the world community and march together under the banner of a crusade repelling all temptations and challenges. With this epochal test and with this supreme call before us, we cannot afford to vacillate however severe the trials may be, nor can we fall into self-complacency however rosy our tiny progress may appear, nor can we defer however deeply we may seem to differ.

Taking this opportunity, I propose to rededicate ourselves to our common supreme commitments that have brought us so far together and that demand of us greater wisdom, courage, and unity now and hereafter.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. DEVINE (at the request of Mr. GERALD R. FORD), for today, on account of death of a close, personal friend.

Mr. EDMONDSON (at the request of Mr. JARMAN), for today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. ROONEY of New York, for 30 minutes, today, to revise and extend his remarks and to include extraneous matter.

Mr. HOSMER (at the request of Mr. MIZELL), for 5 minutes, today, to revise and extend his remarks and include extraneous matter.

Mr. GONZALEZ (at the request of Mr. MIKVA), for 10 minutes, today, to revise and extend his remarks and include extraneous matter.

EXTENSIONS OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. RANDALL in two instances.

(The following Members (at the request of Mr. MIZELL) and to include extraneous matter:)

Mr. SCHADEBERG.
Mr. DERWINSKI in two instances.
Mr. ASHBROOK in two instances.
Mr. STEIGER of Wisconsin.
Mr. LUKENS.
Mr. AYRES in two instances.
Mr. ROBISON.
Mr. CARTER.
Mr. BURKE of Florida in two instances.
Mrs. MAY.
Mr. HOSMER in two instances.
Mr. UTT in two instances.
Mr. FOREMAN.
Mr. MIZELL in three instances.
Mr. MINSHALL.
Mr. LLOYD.
Mr. HANSEN of Idaho.
Mr. WYMAN in two instances.
Mr. CUNNINGHAM in three instances.
Mr. CRAMER in three instances.
Mr. MORSE in four instances.
Mr. SCHWENGEL.
Mr. BROCK in two instances.

(The following Members (at the request of Mr. MIKVA) and to include extraneous matter:)

Mrs. HANSEN of Washington.
Mrs. CHISHOLM.
Mr. EILBERG.
Mr. BOLAND in four instances.
Mr. CHARLES H. WILSON in two instances.
Mr. FRIEDEL in two instances.
Mr. JACOBS.
Mr. DINGELL in four instances.
Mr. BLATNIK in three instances.
Mr. RONAN.
Mr. ASHLEY.
Mr. FRASER.
Mrs. GRIFFITHS in two instances.
Mr. RARICK in four instances.
Mr. WOLFF in three instances.
Mr. LOWENSTEIN in 10 instances.
Mr. VANIK in three instances.
Mr. GONZALEZ in two instances.
Mr. FARBSTEIN in two instances.
Mr. BURKE of Massachusetts.
Mr. RODINO.
Mr. THOMPSON of New Jersey in two instances.
Mr. ANDERSON of California in two instances.
Mr. DONOHUE in two instances.
Mr. PREYER of North Carolina.
Mr. BYRNE of Pennsylvania.
Mr. GIBBONS in two instances.
Mr. BRADEMAS in eight instances.
Mr. PATTEN.
Mr. CONYERS in five instances.
Mr. BIAGGI in three instances.
Mr. MOORHEAD in two instances.
Mr. O'HARA in two instances.
Mr. O'NEAL of Georgia in two instances.
Mr. LEGGETT.
Mr. ROGERS of Florida in five instances.
Mr. RYAN in four instances.
Mr. HELSTOSKI in two instances.
Mr. DULSKI in three instances.
Mr. MONAGAN in two instances.

ENROLLED BILL SIGNED

Mr. FRIEDEL, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

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

BILLS PRESENTED TO THE PRESIDENT

Mr. FRIEDEL, from the Committee on House Administration, reported that that committee did on July 16, 1969, present to the President, for his approval, bills of the House of the following titles:

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

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

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

ADJOURNMENT

Mr. MIKVA. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 49 minutes p.m.), under its previous order, the House adjourned until Monday, July 21, 1969, at 12 o'clock.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

976. A letter from the Assistant Secretary of Defense (Installations and Logistics), transmitting a report on Department of Defense procurement from small and other business firms for July 1968 to March 1969, pursuant to the provisions of section 10(d) of the Small Business Act, as amended; to the Committee on Banking and Currency.

977. A letter from the Director, District of Columbia Bail Agency, transmitting an explanation that Judge Roger Robb did not participate in the executive committee deliberations related in the Agency's executive communication (No. 962) submitted to the House on July 15, 1969; to the Committee on the District of Columbia.

978. A letter from the Secretary of the Navy, transmitting a draft of proposed legislation to amend section 5941 of title 5, United States Code, to provide payment of nonforeign differentials to certain U.S. citizens wage board employees serving in nonforeign areas outside the continental United States and Hawaii; to the Committee on Post Office and Civil Service.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON of Illinois:

H.R. 12906. A bill to amend the Consumer Credit Protection Act to retain the effectiveness of materialmen's and mechanics' liens; to the Committee on Banking and Currency.

By Mr. ANDERSON of Tennessee:

H.R. 12907. 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. 12908. A bill to provide for orderly trade in footwear; to the Committee on Ways and Means.

By Mr. ASHLEY:

H.R. 12909. A bill to provide for a more conservative capitalization of the Saint Lawrence Seaway Development Corporation, and for other purposes; to the Committee on Public Works.

By Mr. BELL of California:

H.R. 12910. A bill to amend title I of the Elementary and Secondary Education Act of 1965 in order to provide for a program of urban and rural education grants to local educational agencies; to the Committee on Education and Labor.

By Mr. CELLER:

H.R. 12911. A bill to improve judicial machinery by amending provisions of law relating to the retirement of justices and judges of the United States; to the Committee on the Judiciary.

By Mr. COLLIER:

H.R. 12912. A bill to amend chapter 89 of title 5, United States Code, relating to enrollment charges for Federal employees' health benefits; to the Committee on Post Office and Civil Service.

By Mr. CRAMER:

H.R. 12913. A bill to amend the Federal Water Pollution Control Act, as amended; to the Committee on Public Works.

By Mr. DADDARIO:

H.R. 12914. A bill to amend title II of the Social Security Act so as to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder; to the Committee on Ways and Means.

By Mr. DIGGS (for himself, Mr. FRASER, and Mr. ADAMS):

H.R. 12915. A bill to provide additional revenue for the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. FASCELL:

H.R. 12916. A bill to make "Lunar Landing Day" a legal public holiday; to the Committee on the Judiciary.

By Mr. FISHER:

H.R. 12917. A bill to amend the National Labor Relations Act to provide that employers shall not be required to bargain with labor organizations whose representative status has not been established by a secret ballot election; to the Committee on Education and Labor.

By Mr. GIAIMO:

H.R. 12918. 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. HAMMERSCHMIDT:

H.R. 12919. A bill to amend the Internal Revenue Code of 1954 to encourage higher education, and particularly the private funding thereof, by authorizing a deduction from gross income of reasonable amounts contributed to a qualified higher education fund established by the taxpayer for the purpose of funding the higher education of his dependents; to the Committee on Ways and Means.

By Mr. HANNA:

H.R. 12920. 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. McCULLOCH:

H.R. 12921. 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. MEEDS:

H.R. 12922. A bill to restore the Golden Eagle program to the Land and Water Conservation Fund Act; to the Committee on Interior and Insular Affairs.

By Mr. MILLS:

H.R. 12923. A bill to amend the Internal Revenue Code of 1954 in relation to industrial development bonds; to the Committee on Ways and Means.

By Mr. MINISH:

H.R. 12924. A bill to amend title XVIII of the Social Security Act to authorize payment under the program of health insurance for the aged for services furnished an individual by a home maintenance worker (in such individual's home) as part of a home health services plan; to the Committee on Ways and Means.

By Mr. MONAGAN:

H.R. 12925. A bill to prohibit the use of interstate facilities, including the mails, for the transportation of certain materials to minors; to the Committee on the Judiciary.

H.R. 12926. A bill to prohibit the use of interstate facilities, including the mails, for the transportation of salacious advertising; to the Committee on the Judiciary.

H.R. 12927. A bill to afford protection to the public from offensive intrusion into their homes through the postal service of sexually oriented mail matter, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. OBEY:

H.R. 12928. 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. O'NEILL of Massachusetts:

H.R. 12929. A bill to provide a more effective approach to the problem of developing and maintaining a rational relationship between building code requirements and building technology in the United States, through the establishment of a National Institute of Building Sciences which can establish standards and make definitive technical findings available to all sectors of industry and government; to the Committee on Public Works.

By Mr. QUILLEN:

H.R. 12930. A bill to amend title 38 of the United States Code with respect to the qualifications for appointment as a Veterans' Administration chaplain; to the Committee on Veterans' Affairs.

H.R. 12931. A bill to amend the Internal Revenue Code of 1954 to allow an incentive tax credit for a part of the cost of constructing or otherwise providing facilities for the control of water or air pollution, and to permit the amortization of such cost within a period of from 1 to 5 years; to the Committee on Ways and Means.

By Mr. RIEGLE:

H.R. 12932. 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. RIVERS:

H.R. 12933. A bill 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 bonds and saving notes under certain circumstances; to the Committee on Armed Services.

By Mr. ROGERS of Florida:

H.R. 12934. A bill to amend the Clean Air Act to authorize appropriations to carry out such act through fiscal year 1973; to the Committee on Interstate and Foreign Commerce.

By Mr. RUPPE (for himself and Mr. ESCH):

H.R. 12935. A bill to establish in the State of Michigan the Sleeping Bears Dunes National Lakeshore, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. WATTS:

H.R. 12936. A bill to continue certain rules relating to the deductibility of accrued vacation pay; to the Committee on Ways and Means.

By Mr. WIDNALL:

H.R. 12937. A bill to amend and extend laws relating to housing and urban development, and for other purposes; to the Committee on Banking and Currency.

By Mr. CHARLES H. WILSON (for himself, Mr. PURCELL, Mr. TIERNAN, Mr. WALDIE, Mr. WHITE, Mr. DERWINSKI, Mr. MESKILL, and Mr. SCOTT):

H.R. 12938. A bill to amend title 13, United States Code, to provide for a mid-decade census of population in the year 1975 and every 10 years thereafter; to the Committee on Post Office and Civil Service.

By Mr. BROCK:

H.R. 12939. A bill to strengthen voluntary agricultural organizations, to provide for the orderly marketing of agricultural products, and for other purposes; to the Committee on Agriculture.

H.R. 12940. A bill to amend the Consumer Credit Protection Act to retain the effectiveness of materialmen's, mechanics', and artisans' liens; to the Committee on Banking and Currency.

By Mr. BROOMFIELD:

H.R. 12941. A bill to authorize the release of 4,180,000 pounds of cadmium from the national stockpile and the supplemental stockpile; to the Committee on Armed Services.

By Mr. DONOHUE:

H.R. 12942. 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. GARMATZ:

H.R. 12943. A bill to amend section 3 of the act of November 2, 1966, to extend for 3 years the authority to make appropriations to carry out such act; to the Committee on Merchant Marine and Fisheries.

By Mr. GONZALEZ:

H.R. 12944. A bill to provide emergency salary adjustments for certain employees in the postal field service to offset the increase in the cost-of-living index; to the Committee on Post Office and Civil Service.

By Mr. HECHLER of West Virginia:

H.R. 12945. A bill to improve the health and safety conditions of persons working in the coal mining industry of the United States; to the Committee on Education and Labor.

By Mr. MOORHEAD (for himself, Mr. ADAMS, Mr. ADDABBO, Mr. BINGHAM, Mr. BROWN of Michigan, Mr. BROWN of California, Mr. BUTTON, Mr. CONYERS, Mr. DENT, Mr. DIGGS, Mr. FARBSTEIN, Mr. FRASER, Mr. FULTON of Pennsylvania, Mr. KOCH, Mr. HECHLER of West Virginia, and Mr. LEGGETT):

H.R. 12946. A bill to amend the Housing and Urban Development Act of 1968 to aid in developing and maintaining a more rational relationship between building code requirements and building technology in the United States, particularly as they relate to residential housing, through the establishment of a National Institute of Building Sciences which can establish standards and make definitive technical findings available to all sectors of the economy; to the Committee on Banking and Currency.

By Mr. MOORHEAD (for himself, Mr. LOWENSTEIN, Mr. MATSUNAGA, Mr. MIKVA, Mr. OLSEN, Mr. OTTINGER, Mr. PEPPER, Mr. PODELL, Mr. POLLOCK, Mr. QUIE, Mr. REES, Mr. RODINO, Mr. ROSENTHAL, Mrs. SULLIVAN, Mr. TUNNEY, and Mr. WHALEN):

H.R. 12947. A bill to amend the Housing and Urban Development Act of 1968 to aid in developing and maintaining a more rational relationship between building code requirements and building technology in the United States, particularly as they relate to residential housing, through the establishment of a National Institute of Building Sciences which can establish standards and make definitive technical findings available to all sectors of the economy; to the Committee on Banking and Currency.

By Mr. MOORHEAD (for himself, Mr. ADDABBO, Mr. ASHLEY, Mr. BIAGGI, Mr. BINGHAM, Mr. BUTTON, Mr. DENT, Mr. EDWARDS of California, Mr. HATHAWAY, Mr. KOCH, Mr. LOWENSTEIN, Mr. MCKNEALLY, Mr. MIKVA, Mr. OTTINGER, Mr. PEPPER, Mr. PODELL, Mr. SAYLOR, Mr. TIERNAN, and Mr. TUNNEY):

H.R. 12948. A bill to provide the Civil Aeronautics Board with authority to assist in relieving airport congestion; to the Committee on Interstate and Foreign Commerce.

By Mr. MURPHY of Illinois:

H.R. 12949. A bill to expedite delivery of special delivery mail, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. PHILBIN:

H.R. 12950. 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. PHILBIN (for himself, Mr. DONOHUE, Mr. O'NEILL of Massachusetts, Mr. BOLAND, Mr. MACDONALD of Massachusetts, and Mr. BURKE of Massachusetts):

H.R. 12951. 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. PODELL:

H.R. 12952. A bill to amend the Internal Revenue Code of 1954 to provide that the credit for foreign taxes shall not be allowed in the case of taxes paid in any form to a foreign country in connection with the production of oil and gas; to the Committee on Ways and Means.

By Mr. PUCINSKI:

H.R. 12953. A bill to authorize the Commissioner of Education to make vocational education opportunity grants; to the Committee on Education and Labor.

By Mr. RODINO:

H.R. 12954. A bill to require that accurate data be used as the basis for congressional redistricting until the results of the 1970 census are available, and for other purposes; to the Committee on the Judiciary.

By Mr. ROONEY of Pennsylvania:

H.R. 12955. A bill to provide for special programs for children with learning disabilities; to the Committee on Education and Labor.

By Mr. RYAN:

H.R. 12956. A bill to amend section 8 of the Federal Water Pollution Control Act as it relates to the reallotment of construction grant funds; to the Committee on Public Works.

By Mr. SPRINGER (for himself and Mr. GERALD R. FORD):

H.R. 12957. A bill to provide for the expansion and improvement of the Nation's airport and airway system, for the imposition of airport and airway user charges, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. CASEY:

H.J. Res. 818. Joint resolution to create a delegation to a convention of North Atlantic nations; to the Committee on Foreign Affairs.

By Mr. DANIEL of Virginia:

H.J. Res. 819. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

By Mr. FASCELL:

H.J. Res. 820. Joint resolution designating Monday, the 21st of July 1969, a legal public holiday in commemoration of Apollo 11; to the Committee on the Judiciary.

By Mr. GRAY:

H.J. Res. 821. 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. HUTCHINSON:

H.J. Res. 822. Joint resolution proposing an amendment to the Constitution of the United States relating to the election of the President and the Vice President; to the Committee on the Judiciary.

By Mr. THOMPSON of Georgia:

H.J. Res. 823. Joint resolution proposing an amendment to the Constitution of the United States to provide for revenue sharing with the several States and their political subdivisions; to the Committee on the Judiciary.

By Mr. KARTH:

H. Res. 484. Resolution urging the President to resubmit to the Senate for ratification the Geneva Protocol of 1925 banning the first use of gas and bacteriological warfare; to the Committee on Foreign Affairs.

By Mr. MILLER of California:

H. Res. 485. Resolution authorizing reprinting of "Centralization of Federal Science Activities; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

242. By the SPEAKER: Memorial of the House of Representatives of the Commonwealth of Massachusetts, relative to requesting that the Department of Transportation purchase ships built in the United States; to the Committee on Merchant Marine and Fisheries.

243. Also, memorial of the House of Representatives of the Commonwealth of Massachusetts, relative to protection and promotion of the shoe industry; 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. HÉBERT:

H.R. 12958. A bill for the relief of Central Gulf Steamship Corp.; to the Committee on the Judiciary.

By Mr. McCULLOCH:

H.R. 12959. A bill for the relief of Gloria Jara Haase; to the Committee on the Judiciary.

By Mr. McFALL:

H.R. 12960. A bill to validate the conveyance of certain land in the State of California by the Southern Pacific Co.; to the Committee on Interior and Insular Affairs.

By Mr. MOLLOHAN:

H.R. 12961. A bill for the relief of Anna Veltri; to the Committee on the Judiciary.

By Mr. MORSE:

H.R. 12962. A bill for the relief of Maureen O'Leary Pimpare; to the Committee on the Judiciary.

By Mr. NIX:

H.R. 12963. A bill for the relief of Dr. Naveed A. Sadiqui; to the Committee on the Judiciary.

By Mr. BOLAND:

H. Res. 486. Resolution to refer H.R. 12885, entitled "A bill for the relief of Antoni de Januszkowski and Maurice Lemee," to the Chief Commissioner of the Court of Claims in accordance with sections 1492 and 2509 of title 28, United States Code; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

179. By Mr. PHILBIN: Memorial of the Board of Aldermen, city of Newton, Mass., calling for the observance of January 15 as a national holiday in honor of the birthday of the Reverend Dr. Martin Luther King, Jr.; to the Committee on the Judiciary.

180. By the SPEAKER: Petition of the City Commission, Miami, Fla., relative to the antiballistic-missile system; to the Committee on Armed Services.