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Congressional Record

PROCEEDINGS AND DEBATES OF THE 91st CONGRESS, FIRST SESSION

HOUSE OF REPRESENTATIVES—*Monday, July 28, 1969*

The House met at 12 o'clock noon.

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

Let us hold fast the profession of our faith without wavering.—Hebrews 10: 23.

Most merciful God, who hast made us for Thyself so that our hearts are restless until they find rest in Thee, in this moment of prayer we renew our faith, we reaffirm the fact that Thou art with us, and we reenforce our desire to be of real service to our country and to our fellow man.

May the splendor of Thy spirit and the strength of Thy presence be revealed in us and through us, particularly when we are assailed by the moods of frustration and futility and feel that all our endeavors are in vain.

Bless the leaders of our land, these men and women of Congress and all who labor with them to creatively meet the demands of this distracting day. May their faith in Thee hold them up, keep them strong, and help them guide our Nation on the way to peace, justice, and good will. In the spirit of Christ we pray. Amen.

THE JOURNAL

The Journal of the proceedings of Thursday, July 24, 1969, was read and approved.

MESSAGE FROM THE SENATE

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

H. Con. Res. 208. Concurrent resolution authorizing the printing of additional copies of parts 1, 2, and 3 of the publication entitled "Subversive Influences in Riots, Looting, and Burning";

H. Con. Res. 209. Concurrent resolution authorizing the printing of additional copies of the committee print "The Analysis and Evaluation of Public Expenditures: The PPB System"; and

H. Con. Res. 291. Concurrent resolution to provide for the printing of inaugural addresses from President George Washington to President Richard M. Nixon.

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

H.R. 10946. An act to promote health and safety in the building trades and construction industry in all Federal and federally financed or federally assisted construction projects.

HEAVY LOSS FOR TEXAS

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

Mr. ROBERTS. Mr. Speaker, on July 14, 1969, I was given permission to address the House for the purpose of stating reasons why the oil depletion allowances should be retained. Since that time I have received a copy of an editorial which appeared in the July 20, 1969, edition of the Kilgore News Herald, Kilgore, Tex., on the effect a reduction in the depletion allowances would have on Texas and I want to share it with my colleagues:

HEAVY LOSS FOR TEXAS

Texas could take a heavy economic beating if current tax proposals in Congress are passed. Proposed changes in the tax structure concerning the oil and gas industry would have widespread impact throughout the state.

Two proposals: changes in percentage depletion and the option to charge off intangible drilling costs—such as labor, contract services, drilling mud, supplies and other items which have no salvage value—strike at the heart of the petroleum industry.

Without these incentives to hunt for oil and gas, there would be a serious curtailment of activity, meaning less drilling, less oil and gas reserves, less production, less royalty payments, less employment, less investment, lower property values and less gasoline for the consumer's dollars—in short, a heavy loss for Texas.

HEALTH, EDUCATION, AND WELFARE

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

Mr. MICHEL. Mr. Speaker, it is my understanding that the gentleman from New Jersey (Mr. JOELSON) will be proposing tomorrow an amendment to increase our HEW appropriation bill by some $900 million or more.

I think it should be noted that the author and most of those who will be sponsoring that amendment to increase expenditures by $900 million were not around to vote for extension of the tax surcharge just a week or two ago. As a matter of fact they voted against the tax bill.

I think it is unconscionable that those who would vote against extending the surtax would now join in an amendment to increase our appropriation bill by $900 million. This will more than wipe out all the cuts we have been able to make thus far in appropriation bills this year. We cannot curb inflation with this kind of performance.

PERMISSION FOR COMMITTEE ON THE JUDICIARY TO FILE REPORT ON H.R. 4249

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary may have until midnight tonight to file a report on the bill, H.R. 4249, extending the voting rights act of 1965 with respect to the discriminatory use of tests and devices.

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

There was no objection.

PERMISSION FOR COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE TO SIT DURING GENERAL DEBATE TODAY

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce may sit today during general debate.

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

There was no objection.

DIRECTIVES AFFECTING SALARIES OF RESTAURANT EMPLOYEES

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

Mr. ALBERT. Mr. Speaker, under the Federal Salary Act of 1967, the Speaker of the House and the Architect of the Capitol are authorized and directed to issue certain directives in implementation of the salary comparability policy set forth in that law. Since these directives affect the salary of House restaurant employees and officers and employees of the Office of the Architect, I ask unanimous consent that both directives, dated June 26, 1969, and certain related correspondence, be inserted in the CONGRESSIONAL RECORD at this point.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The material referred to is as follows:

ARCHITECT OF THE CAPITOL,
Washington, D.C., July 25, 1969.

Hon. JOHN W. MCCORMACK,
Speaker of the House of Representatives,
U.S. Capitol,
Washington, D.C.

MY DEAR MR. SPEAKER: I am enclosing herewith the following documents:

(1) Order dated June 26, 1969, issued by the Architect of the Capitol, implementing the salary comparability policy in 1969 for officers and employees of the Office of the Architect of the Capitol required by Section 212 of the Federal Salary Act of 1967;

(2) Your directive of June 26, 1969, implementing the salary comparability policy in 1969 for management—office employees of the House Restaurants required by Section 212 of the Federal Salary Act of 1967.

I would appreciate your having these documents inserted in the Congressional Record in order that they might be a matter of record.

Sincerely yours,

J. GEORGE STEWART,
Architect of the Capitol.

ORDER OF THE ARCHITECT OF THE CAPITOL IMPLEMENTING THE SALARY COMPARABILITY POLICY IN 1969 FOR OFFICERS AND EMPLOYEES OF THE OFFICE OF THE ARCHITECT OF THE CAPITOL REQUIRED BY SECTION 212 OF THE FEDERAL SALARY ACT OF 1967

Pursuant to the authority and duty vested in the Architect of the Capitol by section 212 of the Federal Salary Act of 1967 (81 Stat. 634; Public Law 90–206) to implement the salary comparability policy set forth in section 5301 of Title 5, United States Code, in the year 1969 for personnel of the Office of the Architect of the Capitol whose rate of compensation is increased by section 5 of the Federal Employees Pay Act of 1946, the rates of pay of such personnel are adjusted as follows:

IMPLEMENTATION OF SALARY COMPARABILITY POLICY IN 1969 FOR PERSONNEL OF THE OFFICE OF THE ARCHITECT OF THE CAPITOL WHOSE RATE OF COMPENSATION IS INCREASED BY SECTION 5 OF THE FEDERAL EMPLOYEES PAY ACT OF 1946

SECTION 1. Subject to section 216 and 225 of the Federal Salary Act of 1967 (81 Stat. 638, 642; Public Law 90–206), the per annum gross rate of compensation (basic compensation plus additional compensation authorized by law) of each employee whose compensation is increased by section 5 of the Federal Employees Pay Act of 1946 is hereby increased by 10.05 per centum.

SEC. 2. The provisions of this Order shall become effective on July 13, 1969 with respect to employees paid on a bi-weekly basis, and on July 1, 1969 for all other employees covered by this Order.

J. GEORGE STEWART,
Architect of the Capitol.

JUNE 26, 1969.

DIRECTIVE OF THE SPEAKER OF THE U.S. HOUSE OF REPRESENTATIVES, IMPLEMENTING THE SALARY COMPARABILITY POLICY IN 1969 FOR MANAGEMENT—OFFICE EMPLOYEES OF THE HOUSE RESTAURANTS REQUIRED BY SECTION 212 OF THE FEDERAL SALARY ACT OF 1967

Pursuant to the authority and duty vested in the Speaker of the United States House of Representatives by section 212 of the Federal Salary Act of 1967 (81 Stat. 634; Public Law 90–206) to implement the salary comparability policy set forth in Section 5301 of title 5, United States Code, in the year 1969 for personnel of the House of Representatives, the annual gross rate of compensation of management—office personnel of the House Restaurants (such employees having been defined by the Comptroller General of the United States to be employees of the House of Representatives), whose compensation is increased by section 214(a) of the Federal Salary Act of 1967 (81 Stat. 634, Public Law 90–206) and the Directive of the Speaker of the United States House of Representatives of July 1, 1968, is hereby increased by 10.05 per centum, effective July 13, 1969.

For the purpose of arriving at the percentage increases granted by this directive (these employees being compensated on a weekly, rather than an annual, basis), the weekly basic and weekly gross rates of these employees shall be converted for the purpose of this directive, to appropriate annual basic and annual gross rates.

The provisions of this directive shall become effective on July 13, 1969.

JOHN W. MCCORMACK,
Speaker, U.S. House of Representatives.

JUNE 26, 1969.

DISTRICT OF COLUMBIA BUSINESS

The SPEAKER. This is District of Columbia day. The Chair recognizes the gentleman from South Carolina (Mr. MCMILLAN), chairman of the Committee on the District of Columbia.

METROPOLITAN POLICE DEPARTMENT BAND

Mr. McMILLAN. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H.R. 9551) to amend the act of July 11, 1947, to authorize members of the District of Columbia Fire Department, the U.S. Park Police force, and the White House Police force to participate in the Metropolitan Police Department Band, and for other purposes and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina (Mr. MCMILLAN)?

There was no objection.

The Clerk read the bill, as follows:

H.R. 9551

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act entitled "An Act to authorize the establishment of a band in the Metropolitan Police force", approved July 11, 1947, is amended as follows:

(1) The second sentence of the first section of such Act (D.C. Code, sec. 4–182) is amended to read as follows: "The Commissioners are authorized in their discretion to detail officers and members of the Metropolitan Police force and the District of Columbia Fire Department to participate in the activities of such band."

(2) Such Act is amended by inserting immediately after the first section the following new section:

"SEC. 2. The Secretary of the Interior is authorized in his discretion to detail officers and members of the United States Park Police force to participate in the activities of the band established by this Act, and the Secretary of the Treasury is authorized in his discretion to detail officers and members of the White House Police force to participate in the activities of such band."

(3) Section 5 of such Act is repealed and section 4 of such Act (D.C. Code, sec. 4–184) (relating to an authorization of appropriations) is redesignated as section 5.

With the following committee amendments:

On page 1, strike out line 8 and insert in lieu thereof the following: "follows: 'The Commissioner is authorized in his' ".

On page 2, line 3, insert after the quotation mark the following: "The first sentence of such section is amended by striking out 'Commissioners' and inserting in lieu thereof 'Commissioner'. The third sentence of such section is amended by striking out 'Commissioners are' and inserting in lieu thereof 'Commissioner is' ".

The committee amendments were agreed to.

Mr. McMILLAN. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, the purpose of H.R. 9551 is to permit members of the District of Columbia Fire Department, the White House Police force, and the U.S. Park Police force to be detailed by the District of Columbia Commissioner, the Secretary of the Treasury, and the Secretary of the Interior, respectively, to particiate in the activities of the Metropolitan Police Department Band.

This bill is identical to H.R. 8205 of the 89th Congress, as passed by the House on August 22, 1966—House Report 1818—and H.R. 831 of the 90th Congress, as passed by the House on March 13, 1967—House Report 93.

NEED FOR LEGISLATION

Actually, some members of these other forces do participate as members of the Police Department Band. However, since present law does not permit them to be officially detailed to this duty, they must do so without any coverage as to disability compensation which applies when such members are performing their official duties. In short, therefore, while members of all these forces may and do participate as members of the Police Department Band, only members of the Metropolitan Police Department are presently protected against injury or disability incurred while engaged in the band's activities.

It is the opinion of your committee that all members of this band should be adequately protected against injury incurred while engaged in the band's activities. This bill will accomplish this by providing that members of all these forces, when assigned to the Police Band, will be engaged in official duty and hence will be eligible during such activity for the same disability benefits to which they are entitled when performing their regular duties.

Another present difficulty in connection with members of the Fire Department, White House Police, and the U.S. Park Police participating as members of the Police Department Band is that they must do so on their own time, whereas the time spent by Police Department members of the band in rehearsals and performances counts as part of their regular workweek. Further, if such time is spent outside their regular duty hours, then the Police Department members are entitled to an equal amount of compensatory time off. The provisions of this bill will extend this arrangement also to members of these other forces who participate in the band's activities, so that the time so spent by all members of the band will be considered as part of their duty hours.

It is the view of the committee that these provisions will have the desirable effect of materially increasing the size of this fine Police Department Band.

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

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

Mr. GROSS. Mr. Speaker, I note that identical bills were passed by the House in 1966 and again in 1967.

I am wondering if this is an exercise in futility here today?

Mr. McMILLAN. I appreciate the gentleman's asking this question, because we are becoming a little exercised over here in the House District Committee. Last year we passed approximately 30 bills that the other body did not take time to consider. We hope they will have time this year to consider the bills we send over there.

Mr. GROSS. Let me ask the gentleman how many members will this bill take off the police force of the District of Columbia for musical purposes?

Mr. McMILLAN. I do not think it would change the number. My understanding is that it would not change the number at all.

Mr. GROSS. We need all the police officers on the streets to combat the crime here in the District of Columbia rather than playing instruments in a band.

Mr. McMILLAN. This band very seldom plays for functions and the people who would be concerned are already playing in the band. So we would not take any additional policemen and firemen off the streets.

Mr. GROSS. The gentleman does not think that the bill would in any way impair law enforcement in the District of Columbia?

Mr. McMILLAN. No; if I thought that it would, I would be the last Member in the House to be asking for this legislation, this bill or any other, if it would impair our attempts to solve the crime problem in the Nation's Capital.

Mr. GROSS. I thank the gentleman.

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

GENERAL LEAVE TO EXTEND

Mr. McMILLAN. Mr. Speaker, I ask unanimous consent that all Members may be permitted to extend their remarks on the bill just passed.

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

There was no objection.

AMEND GRANDFATHER CLAUSE REGARDING LOCATIONS OF CHANCERIES

Mr. DOWDY. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H.R. 6947) to amend the act of October 13, 1964, to regulate the location of chanceries and other business offices of foreign governments in the District of Columbia, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

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

There was no objection.

The Clerk read the bill, as follows:

H.R. 6947

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 2 of the Act of October 13, 1964 (D.C. Code, sec. 5–418a), is amended by striking out the period at the end of paragraph (2) of that section and inserting in lieu thereon ", or" and by adding after that paragraph the following new paragraph:

"(3) the future or continued use of a building as a chancery or the making of ordinary repairs to such building if such building was used as a chancery contrary to any zoning law, rule, or regulation at any time during the period beginning May 12, 1958, and ending October 13, 1964, without any written notice by the District or United States Government prior to October 13, 1964, to the owner or occupant of such building of the fact that such use was in violation of such law, rule, or regulation."

(b) Section 4 of such Act (D.C. Code, sec. 5–418c) is amended by inserting immediately after "(D.C. Code, sec. 5–418)" the following: "or paragraph (3) of section 2 of this Act".

With the following committee amendment:

Page 2, strike out lines 7 through 10 and insert in lieu thereof the following:

"(b) Section 4 of such Act (D.C. Code, sec. 5–418c) is amended by inserting 'or (3)' immediately after 'paragraph (1).'"

The committee amendment was agreed to.

Mr. DOWDY. Mr. Speaker, the purpose of the bill H.R. 6947 is to amend the act of October 13, 1964—78 Stat. 1091; D.C. Code, sec. 5–418a—hereafter referred to as the Chancery Act of 1964, approved by the 88th Congress to regulate the location of chanceries and other business offices of foreign governments in the District of Columbia. In House Report 1727—88th Congress—which accompanied that legislation your committee recognized the complexity of the problem of providing for the location of chanceries and that the bill, later enacted as Public Law 88–659—78 Stat. 1091—might require amendments pending some final solution to this problem in the District of Columbia.

Since the enactment of the above-mentioned law, additional problems have been brought to the attention of your committee in connection with the administration of that law under its terms and concerning unique, or at least unusual situations which have resulted in substantial hardship to property owners. This bill is an effort to supplement and clarify the previous enactment and meet some of the difficulties which have been presented to your committee.

BACKGROUND

For many years, foreign governments were without any restriction as to the purchase or rental of property to be used for chancery purposes. The great majority of foreign chanceries were located within single-family detached residential areas. Because of the substantial, and sometimes intense, business usage of such properties, they were not compatible, in many instances, with the character of the neighborhoods in which they existed. With the development of zoning laws and establishment of zoning categories, the admissibility of chanceries in residentially zoned areas became an increasingly controversial matter. Although zoning regulations were developed to require at least some parking facilities to avoid traffic congestion, and to preserve the residential character where chanceries were located, existing laws and regulations did not provide a suitable basis to the District of Columbia for providing for chancery locations, nor did they provide a suitable basis for harmonious relations between foreign governments and the State Department. The latter agency is the only agency which might exercise any sanctions to bring about the enforcement of District of Columbia regulations regarding the location of chanceries. The situation led to action taken during the 88th Congress, and the enactment of Public Law 88–659, approved October 13, 1964—78 Stat. 1091.

INTENT OF CONGRESS

Aside from specifying the zoning categories within which chanceries of foreign governments might be located, the intent of Congress was clearly expressed concerning the preservation of existing rights established by previous use under law. Existing uses of buildings as chanceries, where such use had been established under the benefit of statute or by use preceding applicable zoning laws and regulations, were to be continued. Although that act appears to have had the effect of extinguishing the right of use of some properties as chanceries where such use did in fact exist and the owner or occupant was without notice that the use was not based upon any law, rule, or regulation, some instances of hardship have been demonstrated. These represent borderline cases where, under the normal operation of law and regulation prior to the act of the 88th Congress, chancery uses would have been permitted and approved, the owners of such property now find that they are precluded under the strict language of the act from continued use of their property for chancery purposes.

APPLICATION OF THE TERMS OF THE BILL

Under the terms of H.R. 6947, the Chancery Act of 1964 is amended by the addition of a new clause 3 to section 2 of the Act. The future use or the continued use of a building as a chancery would not be prohibited even though such use was contrary to the provisions of law if such use existed between the date of May 12, 1958, the date of the revision of zoning rules and regulations of the District of Columbia under the Lewis plan, and the date of October 13, 1964, the effective date of the Chancery Act of 1964, if such use was without written notice, from the Federal or District government, of noncompliance with existing zoning provisions. Thus, any use of a building as a chancery which qualifies under the provisions of this bill, becomes a lawful use as specified in the first clause of section 2 of the Chancery Act of 1964.

Section 2 of the Chancery Act of 1964, which the pending bill H.R. 6947 amends, was the subject of a clear expression of intent in House Report 1727 of the 88th Congress. That report stated as follows:

It is the specific intent that no existing lawful rights of use shall be affected by any provision of the bill. Where the lawful use of the building as a chancery has been established and exists on the date of enactment, whether the property be vacant, whether the use as a chancery be interrupted at some future date, or whether the use of the building be transferred from one foreign government

to another, nothing in the act shall affect such right of use.

In the pending bill, H.R. 6947, your committee amends section 4 of the Chancery Act of 1964 by including reference in section 4 of the act—D.C. Code, sec. 5–418c—to the amendment made by section 1(a) of the bill. The effect of this amendment is to make it clear that if a building used as a chancery was lawfully used, is being used or is to be used, such use may be transferred from one foreign government to another. Thus, whenever real property which has been lawfully used for chancery purposes, pursuant to the Chancery Act of 1964, as amended by this bill, was or becomes vacant, the fact of vacancy alone has no effect upon the right of continued or future use of the property for chancery purposes. The amendment is intended to preserve the right of such use, and transfers of use, even though such use may have been or is interrupted, the property vacant, or used for other purposes so long as the use of the property as a chancery is not abandoned.

It is believed that the enactment of the amendment as favorably reported by your committee will aid in resolving inequities and hardship situations, and relieve any area of doubt as to the committee's intent in preserving a right, once established, for the future and continued use of a building as a chancery and the right of transfer of the use from one foreign government to another.

The bill, H.R. 6947, amends the act of October 13, 1964—78 Stat. 1091; D.C. Code, sec. 5–418a—regulating the location of chanceries of foreign governments in the District of Columbia. The first of two amendments in the bill adds a new paragraph at the end of section 2 of the act which provides that the limitations and restrictions of the act shall not prohibit the future or continued use, or the making of ordinary repairs, to a building which was used as a chancery contrary to any zoning rule or regulations between May 12, 1958, and October 13, 1964, if the owner or occupant of such building received no written notice from the District or Federal Government that the use of the property as a chancery was in violation of any law, rule, or regulation.

The second amendment inserts language in section 4 of the act—D.C. Code, section 5–418c—referring back to the language added by the first amendment of the bill to provide that buildings qualifying under this bill for use as chanceries may be transferred from one foreign government to another under the terms of the act as amended.

Mr. BROYHILL of Virginia. Mr. Speaker, Public Law 88–659, approved October 13, 1964—78 Stat. 1091—was enacted to settle the increasingly controversial issue of the admissibility of chanceries in areas zoned residential.

Prior to that time, the District of Columbia had adopted zoning rules and regulations regarding chanceries, and had revised them as of May 12, 1958.

Under this Chancery Act of 1964, some instances of hardship have arisen, despite the fact that the act includes provisions for the continued use of buildings as chanceries where such use had been established under, or prior to the enactment of, previously existing zoning laws and regulations. These are cases where chancery use would have been permitted under laws and regulations prior to the act of 1964, but now are held to be precluded under the strict language of the act.

In 1958, a residential property in an area where many chanceries were located was rented by a representative of a foreign government. Although the owner thought the property was to be uesd as a chancery, this was not the case. Instead, the foreign government used the property as some sort of mission.

In 1960, a second foreign government rented this same property, and actually used it as a chancery. Under zoning regulations existing at that time, a zoning variance should have been obtained to authorize such use. And as a matter of fact, an application for such a variance would undoubtedly have been granted, because two other residential structures in the area were approved for chancery use at that time. However, the owner, or his rental agent, failed to apply for such a zoning variance, presumably through ignorance of the regulation. Actually, therefore, the use of the property as a chancery at that time was not in accordance with existing regulations. However, neither the owner nor the occupant was notified of this fact.

Subsequently, and after the enactment of the act of 1964, this foreign government moved its chancery to another location. At this time, the owner of the property became aware of the error he had made as to chancery use of his building, and made application to the zoning board for the proper variance for such use. This application was denied, however, under the terms of the 1964 Chancery Act.

As a result of this situation, this property is now the only building in its block which is not used either as a chancery or for comparable use authorized by Congress for the Washington Institute of International Law. Thus, the R–3 zoning classification of this district no longer remotely reflects the actual existing character of this block, and this one property owner now finds himself with the one property in the block which is incompatible with the existing use of all the other properties. Under these conditions, of course, he is in the ridiculous situation of being unable to dispose of the property at its normal value for residential use, nor to lease or sell it for chancery use.

In this case, therefore, the Chancery Act of 1964 simply has produced a "white elephant" situation, in contradiction to the intent of Congress and to the normal function of zoning laws to maintain uniformity and compatibility of property uses in a given area.

Although this is the only such instance which has come to the attention of the House District Committee, it is entirely possible that other such cases may exist.

This bill will resolve this situation by providing authorization for the future or continued use of a building as a chancery even though its former use for this purpose had been contrary to the regulations of law in existence prior to October 13, 1964, if there had been no written notice to the owner or occupant of the property from the Federal or District of Columbia government of such noncompliance with existing zoning provisions.

The committee reported this bill, with the conviction that its provisions will be consistent with the intent of Congress in the District of Columbia Chancery Act of 1964, and hence in the public interest.

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

GENERAL LEAVE TO EXTEND

Mr. DOWDY. Mr. Speaker, I ask unanimous consent that all Members may be permitted to extend their remarks on the bills H.R. 6947 and H.R. 9553.

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

There was no objection.

AMENDING DISTRICT OF COLUMBIA MINIMUM WAGE ACT

Mr. DOWDY. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H.R. 9553) to amend the District of Columbia Minimum Wage Act to authorize the computation of overtime compensation for the hospital employees on the basis of a 14-day work period, and ask unanimous consent that the bill be considered in the House as in the Committee of the Whole.

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

Mr. ADAMS. Mr. Speaker, reserving the right to object, as I understand, if we take up this bill, to which I am opposed—and I know other Members are—under the procedure that has been requested, would it be that every Member would be entitled only to 5 minutes, or is the rule that we would stay in the House, and the 5-minutes period would be in order only as the Members are recognized?

The SPEAKER. The Chair will state that if the request is granted, debate will be under the 5-minute rule.

Mr. ADAMS. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. ADAMS. If the gentleman from Washington should object to the request and we should go into the Committee of the Whole for the consideration of this bill, then what would be the time requirements? Would there be 1 hour of debate to be divided between the opposition and the proponents?

The SPEAKER. The Chair will state that if the unanimous-consent request is objected to, under the rules a motion will be in order to go into the Committee of the Whole House on the State of the Union and the gentleman from Texas would control 1 hour, unless the time is fixed by unanimous consent prior to going into the Committee of the Whole.

Mr. ADAMS. Mr. Speaker, then I object to the request of the gentleman from Texas so the House will go into the Committee of the Whole House on the State of the Union for consideration of this bill, because the 5-minute rule will not give those of us in opposition an opportunity to present our case.

The SPEAKER. It is the understanding of the Chair that if consent is granted, then the 5-minute rule would apply.

Mr. ADAMS. Mr. Speaker, I would withdraw my opposition to this if we could just get some agreement on time for 10 or 15 minutes, so the opposition can present its case. We have no desire to delay the matter.

The SPEAKER. The Chair will state that if the consent is granted, then the bill comes up for reading, and the 5-minute rule would apply, and then any Member seeking additional time would ask unanimous consent.

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

The SPEAKER. The gentleman withdraws his reservation of objection.

Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the bill, as follows:

H.R. 9553

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled, That section 3(b) of the District of Columbia Minimum Wage Act (D.C. Code, sec. 36-403(b)) is amended by adding at the end thereof the following paragraph:

"(4) No employer engaged in the operation of a hospital shall be deemed to have violated subsection (b)(1) if, pursuant to an agreement or understanding arrived at between the employer and the employee before performance of the work, a work period of fourteen consecutive days is accepted in lieu of the workweek of seven consecutive days for purposes of overtime computation and if for his employment in excess of eight hours in any workday and in excess of eighty hours in such fourteen-day period, the employee receives compensation at a rate not less than one and one-half times the regular rate at which he is employed."

Mr. ADAMS. Mr. Speaker, I rise in opposition to this bill, and will speak in opposition to it. I move to strike the last word.

The SPEAKER. The gentleman from Washington is recognized for 5 minutes.

Mr. ADAMS. Mr. Speaker, this bill came to the House on the District Calendar 2 weeks ago, and at that time a number of us requested that the chairman withdraw it from the calendar so the House could have the opportunity of having its District of Columbia Committee consider this again. The chairman was kind enough to do this, for which I express my appreciation.

It is a very bad thing that we debate this bill today, because there were no hearings on it this year before the committee. Instead, it was presented to the District of Columbia Committee as one of those bills that come up, that have been passed in a prior House session and since they were passed once before, why do we not just go through and pass them again—which may be an orderly way of doing things that have no controversy.

But in this case this bill deals with the minimum wages of the hospital employees and does a very bad thing to them. It says they can be worked for 80 hours over a 2-week period without receiving any overtime until they have exceeded 80 hours in 2 weeks.

But in my opinion what makes it worse and the reason the House should vote down this bill is the committee report and the committee discussion were based upon a letter signed by Walter Tobriner. If Members will look in the committee report on pages 6 and 7, they will see there a report from the District of Columbia government, saying they support the bill, and that is signed by Walter Tobriner, who has been out of office for nearly 2 years.

This is compounded by the fact that after we had the matter removed from the calendar the last time so we could have a chance to hear it, we received a letter from the District of Columbia government, signed by the present Commissioner, saying they are in opposition to this bill.

So the position on which the committee based its action is now 180° out of phase.

Mr. Speaker, I ask unanimous consent to insert in the RECORD at his point, so that Members can see it—and, in the hope that we will vote down this bill, can consider it—a letter to the chairman of the Committee on the District of Columbia signed by the Mayor, which would supersede the letter from Mr. Tobriner, indicating that the District of Columbia government is against the bill.

Mr. SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

The letter is as follows:

GOVERNMENT OF THE
DISTRICT OF COLUMBIA,
Washington, D.C., July 15, 1969.

Hon. JOHN L. MCMILLAN,
Chairman, Committee on the District of Columbia, U.S. House of Representatives, Washington, D.C.

DEAR MR. MCMILLAN: The Government of the District of Columbia has for report H.R. 9553, 91st Congress, a bill "To amend the District of Columbia Minimum Wage Act to authorize the computation of overtime compensation for hospital employees on the basis of a fourteen-day work period."

The bill amends section 3(b) of title I of the District of Columbia Minimum Wage Act, as amended by section 1 of the District of Columbia Minimum Wage Amendments Act of 1966 (80 Stat. 961; Public Law 89-684), by adding a paragraph (4) thereto. The new paragraph (4) authorizes, for purposes of computing overtime compensation, a work period of fourteen consecutive days in lieu of the standard work week of seven consecutive days. This exception is applicable only to hospitals operating in the District and their employees, and is authorized only when an agreement or understanding regarding such work period is reached between employer and employee prior to performance of the work involved. The bill further provides for the payment of overtime compensation at a rate not less than one and one-half times the regular rate for hours worked by the employee in excess of eight hours a day and in excess of eighty hours in the fourteen-day period.

The Government of the District of Columbia is of the view that the enactment of the bill would be detrimental to those employees affected by it. Using as an example an employee who is paid the minimum wage of $1.60 per hour and who works 32 hours one week and 48 hours the next, the District has determined that under H.R. 9553 the employee would receive $6.40 less for the two-week period than he would receive under the present minimum wage law. On an annual basis, this would result in the employee's receiving $166.00 less income—a sizable sum to an employee whose yearly income is less than $3,300.

In the belief, therefore, that H.R. 9553 would have the effect of reducing the income of a large number of low-paid employees, and does not appear to offer any advantage to them, the Government of the District of Columbia recommends against the enactment of the bill.

THOMAS W. FLETCHER,
Assistant to the Comissioner.
(For Walter E. Washington, Commissioner).

STATE MINIMUM WAGE AND HOUR LAWS APPLICABLE TO HOSPITALS—OVERTIME STANDARDS

Alaska: over 8 a day, 40 a week.
California: over 8 a day, 48 a week.
Connecticut: over 40 a week.
District of Columbia: over 40 a week.
Kentucky: over 44 a week.
Hawaii: over 40 a week.
Nevada: over 8, up to 12 a day (in a 13 hour day); over 48, up to 56 a week (in emergency as specified).
New Jersey: over 40 a week.
New York: over 40 a week.
Oregon: over 8 a day, 40 a week (in emergencies).
Puerto Rico: Over 8 a day, over 48 a week, one-day of rest.
Pennsylvania: over 40 a day.
Rhode Island: over 48 a week.
Vermont: over 48 a week.
Wyoming: over 8 a day, over 48 a week.
West Virginia: over 48 a week.

In the State of Vermont overtime may be paid after 80 hours in a 14-day period only if employees are covered by a collective bargaining agreement. With this exception—no state law provides for overtime payment after 80 hours in the 14-day period for hospital employees.

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

Mr. ADAMS. I yield to the chairman of the committee.

Mr. MCMILLAN. I introduced this bill by request from the hospital officials and the hospital employees on a joint request. That is where the bill came from. I do not know why the present Commissioner decided to be against this bill, because the employees and the hospital officials requested me to introduce this proposed legislation as chairman of the District of Columbia Committee.

Mr. ADAMS. I appreciate the statement of the chairman. I am glad he brought up that point, because I have been contacted by the local labor council in Washington, D.C., and they have indicated to me their opposition to this bill being passed.

I do not know about the position of the hospitals themselves, but the District of Columbia employee organization has indicated its opposition.

Therefore, I believe it would be a very bad thing for the House to pass this bill now. If it is to be passed, then what we should do is go back to the committee and let these people come in and make their statements, and then make a judg-

ment as to whether or not it should be done.

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

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

Mr. DOWDY. I assume the gentleman knows the union which objects to this bill does not represent the hospital employees who are asking for this bill.

Mr. ADAMS. I do know that that union does, but I have never received information about it to this date.

I would say to the gentleman from Texas, as to what the present position of either the hospital board or the people who are working in the hospital is on this bill, I have to accept the fact that the Mayor's letter indicates, on the second page, this:

> Using as an example an employee who is paid the minimum wage of $1.60 per hour and who works 32 hours one week and 48 hours the next, the District has determined that under H.R. 9553 the employee would receive $6.40 less for the two-week period than he would receive under the present minimum wage law. On an annual basis, this would result in the employee's receiving $166.00 less income—a sizable sum to an employee whose yearly income is less than $3,300.

I do not know what the union which represents these people says, but I just cannot believe that they are going to come in and say they think that this is a good bill.

The SPEAKER. The time of the gentleman from Washington has expired.

(By unanimous consent, Mr. ADAMS was allowed to proceed for 5 additional minutes.)

Mr. ADAMS. I cannot believe that they would support such a proposition. I believe it is not proper for this House to pass this bill under these circumstances. If further hearings are demanded and nobody objects I would not object to this bill, but I believe we have not prepared a proper report prior to acting on this legislation.

Mr. STEIGER of Arizona. Mr. Speaker, will the gentleman yield?

Mr. ADAMS. I yield to the gentleman from Arizona.

Mr. STEIGER of Arizona. I thank the gentleman.

I am sure the gentleman is aware, but I believe the record deserves to note, that the language in the bill is permissive in nature, in that it is dependent upon prior agreement between the employees and their organization and the employer. I am sure the gentleman is aware of that.

Mr. ADAMS. I am aware of that. What bothers the gentleman in the well is that my assumption—it may be incorrect, because we have not had the hearings so that I could ask somebody—that there is probably more than one union involved in the hospitals here, and those who are very well paid and are working more hours than they want, would like to have the advantage of saying, "We can take off every other weekend."

As to the poor people, though, the people who are paid the minimum wage or close to it, the money is desperately important to them. Therefore, although there may be an agreement with some organized groups of higher paid people, the ones on the bottom of the economic scale are in very bad condition. Maybe they should have more than one union and bargain on a different basis with regard to the application of 80 or 40 hours, but we should find this out before we pass this bill.

Mr. STEIGER of Arizona. If the gentleman will yield further, apropos of his remarks at this moment in his dialog, do I understand the gentleman really basically objects to the lack of hearings rather than the specific language in this bill? Is that a fair assumption?

Mr. ADAMS. I would say to the gentleman a qualified "Yes," because until I know from some hearings the position of these people I do not know whether the language needs to be corrected.

For example, the section you mentioned. It may well be that a statement should be made that this shall only apply if 75 percent of the employees working in a particular hospital are for it.

So that is my problem with regard to the answer to your question in saying that the language is all right. I think it can be improved upon.

Mr. STEIGER of Arizona. I would like to make note, while the gentleman is being generous with his time, if he will yield further——

Mr. ADAMS. I yield to the gentleman.

Mr. STEIGER of Arizona. This language does comply and conforms exactly to the language in the 1966 amendments to the Fair Labor Standards Act, which apply directly to the same type of institution we are now dealing with in the District of Columbia. It occurs to me that at that point in time—and this is speculation, I recognize—had there been any serious objections, as there is in your mind now, this language could not have been included in the 1966 amendments to the Fair Labor Standards Act. I would like to ask my colleague, in his very proper zeal, to hear the entire story to his satisfaction, that he not delay legislation which really, in the minds of many people or, at least, in my mind, is designed for the benefit of the employees to a far greater extent than to the benefit of management, because under this particular bill the employee is able to accumulate more consecutive leisure time, and that is of significance to those employees who talked to me about this bill.

Mr. ADAMS. I can understand that there would be a group of employees who would be in that position. I am very pleased you raised this point, because it points out the development which is occurring in America, which I think this House should be aware of the problem and deal with it. A number of the very poorly paid employees in hospitals—and the gentleman knows, I am sure, there are places in this country where objection to working conditions are occurring—organizations for the poor people either have not been organized or have been submerged in other organizations, who would rather have leisure time than money. They are now beginning to say, "We want to be heard." When the Fair Labor Standards Act went in, their case was not handled. Now they are making their demands known both through their own union representatives and, where they do not have union representatives, then by trying to form other organizations and saying that "We are making less than $3,600 a year and an alternate weekend off to us is not a very big thing. The extra $5 or $6 or $8 we can receive in overtime pay in addition to the 40-hour week is important. So help us." That is what the gentleman in the well is trying to do, and that is why I believe the Fair Labor Standards Act provision and its application to the District should be reexamined.

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

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

Mr. DENT. The Fair Labor Standards Act does not affect the District of Columbia situation, as you well know.

Mr. ADAMS. I know that.

Mr. DENT. When we tried to write them under the Fair Labor Standards Act, then we took a position, at that time in the Senate, under a former Senator who is no longer there, that they wanted to carry those District of Columbia labor standards in separate legislation. That is why we have never covered them. We would have covered it exactly the way you want to if we had had the opportunity.

Mr. ADAMS. I thank the gentleman and I hope he will join us in opposing this bill so that we can really look at it carefully and do the right thing about it.

Mr. Speaker, I am in opposition to this bill; the District government is opposed to this bill, and I hope we will have the opportunity to hold full hearings thereon. Therefore, Mr. Speaker, I hope the committee will vote down the bill so that we can have a fresh start and do the things which are necessary to give a fair hearing to the people who are involved and who are at the poverty level working in our hospitals.

CALL OF THE HOUSE

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

The SPEAKER. Evidently a quorum is not present.

Mr. FUQUA. 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. 123]

Abbitt	Clausen, Don H.	Green, Pa.
Addabbo	Clay	Halpern
Anderson, Tenn.	Conyers	Hastings
Andrews, N. Dak.	Culver	Helstoski
Ashbrook	Davis, Ga.	Holifield
Berry	Davis, Wis.	Hosmer
Bingham	Dawson	Howard
Blatnik	Delaney	Johnson, Pa.
Boggs	Dickinson	Kirwan
Brock	Eckhardt	Landgrebe
Broomfield	Esch	Lipscomb
Brown, Mich.	Eshleman	Lloyd
Burton, Utah	Evins, Tenn.	Long, La.
Byrne, Pa.	Foley	Long, Md.
Carey	Ford, Gerald R.	Lowenstein
Celler	Ford, William D.	Lujan
Chisholm	Frelinghuysen	MacGregor
Clark	Gallagher	Marsh
		Mathias
		Minish

Minshall	Price, Ill.	Stratton
Morton	Reuss	Stuckey
Nelsen	Rodino	Teague, Tex.
Nix	Rooney, Pa.	Udall
Ottinger	Rosenthal	Watkins
Patten	Ruppe	Whalley
Pettis	St Germain	Whitten
Philbin	St. Onge	Wold
Pirnie	Sandman	Yates
Podell	Scheuer	Yatron
Powell	Stanton	

The SPEAKER. On this rollcall 343 Members have answered to their names, a quorum.

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

AMENDING DISTRICT OF COLUMBIA MINIMUM WAGE ACT

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

Mr. Speaker, this proposal before us today is literally one of the most outrageous proposals that have been presented to this body since it was last proposed to us more than a year ago.

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

Mr. BURTON of California. As soon as I complete my statement I will be delighted to yield.

The last hearing on this bill was held in September of 1967. That was about 20 or 21 months ago. I stated on the floor the last time this matter was before us that we are going to spend more of the taxpayers' dollars recording the debate on this matter than may well be involved in terms of the savings we are going to give to a few hospitals. The Senate had this matter before it all of last year and gave it precisely the treatment that it deserved. They did not waste one second of their time or any of their colleagues' time on it and did not deal with the bill at all, which is exactly the treatment it deserves.

The legislation provides that those who work in the hospitals and work a full workweek are going to have reduced some part of the small pittance that they get if they work overtime.

I have heard a lot of words about self-reliance in this body. These are working people who receive among the lowest of the wages paid to any man or woman who works in this country. This bill proposes to chisel $2 or $3 every 2-week pay period from them. For what purpose? They work. They work beyond the normal workweek and they get time and a half after 40 hours. Apparently the District Committee, which has not heard this matter this session, believes that is a little bit too much. They stated that apparently the workers want this bill. To put it charitably, that is a base canard. I stated on the record the last time this matter was before us that the Service Employees International Union, which represents almost every organized worker in the hospital field, is against this bill. It was denied in the debate last year before I made the statement. I restate it again today. I intend to get a rollcall on this outrageous suggestion. I would like to have my colleagues defend in front of us this proposal which I will restate and then conclude: It robs working people—receiving less money than most groups of workers—of a pittance if they manage to work more than 40 hours a week, by substituting a 14-day overtime period for the present 40-hour per week overtime period which prevails in virtually every industry under the District of Columbia minimum wage law.

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

Mr. BURTON of California. I yield to the gentleman from Washington.

Mr. ADAMS. To those who arrived after we completed the debate on it, I want to further state that the District government which previously supported this legislation in 1967 now opposes it. As the gentleman from California has pointed out there have been no hearings since the last session of Congress and the District government has now come out in opposition to it. I have placed in the RECORD their statement indicating their position to it. This bill should be voted down.

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

Mr. Speaker, this legislation, contrary to the statement of the gentleman from California, does not take one dime away from a single employee, but rather permits him some additional leisure time if he so desires. This bill meets with the approval of at least some of the employees and is designed to be of assistance to them.

This legislation provides that by mutual agreement between the employees and the employers, an employee may work either a 7-day period or a 14-day work period, if he so desires.

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

Mr. HARSHA. Not until I finish my statement.

Now, this legislation is an effort to merely place the employees of the hospitals in the District of Columbia on the same basis as other employees engaged in similar employment on a national basis as a result of the Fair Labor Standards Act of 1966. This is the same basis they are on all over the United States. We are merely trying to update the conditions which exist in the District of Columbia because of the difficulty in obtaining people to work in hospitals due to the fact that they are required to work 24 hours a day, 7 days a week, and there has to be a differential in scheduling these employees. I say this because when people are in the hospital they do not always get well after a period of 5 days but must have attention to be given to them 24 hours a day, 7 days a week.

Mr. Speaker, in my opinion this is merely an effort to bring this legislation into line with national legislation.

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

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

Mr. BURTON of California. As I understand the gentleman's statement, the gentleman has expressed his tender loving care and concern for the hospital workers here in the District; that this little bill is just an effort on the part of the gentleman and presumably some of his colleagues on the committee to give some of these employees some help; is that correct?

Mr. HARSHA. I am sorry but I did not understand the last part of the gentleman's question. Give them what?

Mr. BURTON of California. Give the workers in the hospitals a little help.

As we see it, that is not and cannot be believed to be the case.

I will make the flat assertion that there is not any combination of circumstances where a hospital worker working in excess of 80 hours during a 14-day period can possibly be helped by the enactment of this bill, and in a number of instances will receive less in his pay check. It is precisely for this latter reason that this bill has been introduced and it is precisely for this latter reason that the District government is now opposed to it. It is for that reason that the other body failed to consider this matter a year ago.

Mr. HARSHA. What the gentleman is overlooking is this: This is by mutual agreement between the employee and the employer. It does not have to be done. If the employee does not desire to work a 14-day period he does not have to, he may work a 7-day period, but under this bill he has the option. It is his choice not yours or mine.

Mr. BURTON of California. These employees, by and large, are unorganized as I understand the facts, and I do not think——

Mr. HARSHA. Why did the employees appear before the committee and ask for the legislation?

Mr. BURTON of California. The Service Employees International Union is opposed to this bill, and, as for me, sir, I believe the hospital workers in the District can do without the tender loving care and assistance from the Members of the House.

The SPEAKER. The time of the gentleman has expired.

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

Mr. Speaker, I would like to call the attention of the House that when this bill was before the House in January last year on a rollcall vote, that there were nine Members who voted against the bill.

Mr. Speaker, the bill we have here will amend the District of Columbia laws to bring them in conformity with the nationwide Fair Labor Standards Act of 1966. That is one of the reasons that it should be enacted, so as to conform the law of the District to that of the Nation as a whole.

The statement has been made that there were no hearings. The president of the service employees' union, Mr. Sheehan, did testify when we had this bill for hearings in September of 1967—and I was chairman of the subcommittee holding the hearings. Mr. Sheehan testified before the committee. I asked the gentleman if this bill did not follow identically the terms of the national Fair Labor Standards Act, and he testified that it did.

I asked the gentleman at another place whether his union represented the hospital employees who were asking for this bill, and he said it did not. He further understood that this bill was per-

missive, and not mandatory. He testified further that if he did represent the people that wanted to work 32 hours one week and 48 hours the next, so that they could have longer weekends, that he would abide by what the members that he represented asked for.

Mr. Speaker, we had both employees and nurses who testified on this bill, and who asked for it, and they said it was for two reasons, one that the hospitals could schedule their work better by staggering the weeks, and the employees desired it so that they could have alternate long weekends.

There have been some inferences here that the employees work longer than 8 hours in any one given day, but under this bill if they work longer than 8 hours in a given day, then the overtime provisions would apply for that day.

This simply permits the hospital employees to work 4 days one week and 6 days the next week, so that they could have longer weekends every other week.

I sometimes wish we would schedule our hours in that same way.

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

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

Mr. HUNGATE. Mr. Speaker, I thank the gentleman for yielding, and I would ask the gentleman from Texas—and I thought I understood the gentleman from Ohio (Mr. HARSHA) made the same statement—that the passage of this bill would make it identical with the Fair Labor Standards Act in this field. Is that correct?

Mr. DOWDY. The gentleman is correct in his understanding.

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

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

Mr. BURTON of California. Mr. Speaker, the fact of the matter is that if this bill passes, then the hospital workers will be the only workers covered by the minimum wage bill in the District of Columbia not to receive time and one-half after 40 hours in a week. Is that correct?

Mr. DOWDY. It is not correct. They will work a total of 80 hours in any 2 weeks, and if they work more than that in any 2 weeks they will receive time and a half.

Mr. BURTON of California. Let me restate my question so that the record will disclose which one of us understands the effect of this legislation:

The statement that I made was that if this bill passes, then the hospital workers will be the only workers covered by the District of Columbia minimum wage bill that do not get time and a half after 40 hours.

Mr. HARSHA. It is permissive, and not mandatory.

Mr. DOWDY. It is permissive. As I understand the minimum wage law in the District of Columbia, the hospital employees would be the only employees who would receive overtime for work in excess of 8 hours in any day. Any hospital employee covered by an agreement under section 3(b)(4) of the District of Columbia Minimum Wage Act must receive, in addition to overtime compensation for employment in excess of 80 hours, overtime compensation in excess of 8 hours in any workday. The District of Columbia Minimum Wage Act does not require the payment of overtime compensation to any other employees for work in excess of 8 hours in 1 day.

Mr. STEIGER of Arizona. I would just like to suggest that the zeal of the gentleman from California certainly is noteworthy. Obviously, he is genuinely concerned. But I must liken it to picking daisies off the lawn while the barn is burning down.

The simple facts of the matter are that you have some people here who through computations of their own have figured out a way to accumulate some leisure time. This was their story. There has been nothing that has been produced that would repudiate this.

The gentleman's efforts to either condemn it or to delay it would seem not to be worthy of the energies that he is displaying here. But I commend him on his display of energy and sincerity.

But I would only point out that the facts of the situation are statistical in nature. Compliance with the Federal law is a matter of record. Here the invective that the gentleman engages in—and I must admit it is engaging and interesting—but I submit it does not serve any particular purpose.

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

Mr. DOWDY. I yield to the gentleman.

Mr. BURTON of California. Did the gentleman attend any of the hearings on this matter?

Mr. STEIGER of Arizona. I attended the hearings on the matter 2 years ago.

Mr. BURTON of California. Why do you think the House bill was not even heard in the other body even though they had a year to do so on a matter of such purported noble and great merit and assistance to the hospital workers.

Mr. DOWDY. We had a great number of bills from the District Committee—about 30—in the Senate that the Senate did not consider. They were running out of time—I do not know—that is their business.

Mr. STEIGER of Arizona. Mr. Speaker, will the gentleman yield?

Mr. DOWDY. I yield to the gentleman.

Mr. STEIGER of Arizona. I would just like to add, that if we are to use the indifference of the Senate as the basis of our judgment here, then we really are in trouble. I would hope the gentleman would not use that standard.

Mr. BURTON of California. The gentleman from California is not making that point.

Mr. DOWDY. Mr. Speaker, the purpose of H.R. 9553 is to amend the District of Columbia Minimum Wage Act Amendments of 1966—Public Law 89-684, approved October 15, 1966, 80 Stat. 961, D.C. Code, title 36, section 401, and others—with respect to employees of private hospitals in the District, to provide that pursuant to prior agreement or understanding between the parties involved, overtime pay for such employees may be computed upon a work period of 14 consecutive days rather than on the standard workweek of 7 consecutive days as presently provided. If this 14-day period is agreed upon, then time and one-half wages will apply for hours worked in excess of 8 hours per day and in excess of 80 hours within such 14-day period.

This proposed amendment will allow hospitals and their employees in the District of Columbia the same option in computing overtime as is presently provided for such institutions on a nationwide basis by the 1966 Amendments to the Fair Labor Standards Act—Public Law 89-601, approved September 23, 1966; 80 Stat. 830.

PROVISIONS IN FEDERAL LAW

The Congress recognized this problem arising from the peculiar nature of hospital operations, when it enacted the 1966 Amendments to the Fair Labor Standards Act—Public Law 89-601, approved September 23, 1966. Whereas hospital employees had been excluded from all provisions of the Fair Labor Standards Act prior to that time, the 1966 amendments repealed that exclusion. At the same time, however, it was provided that hospitals and their employees, by their mutual agreement, shall have the option of electing either a 7-day or a 14-day work period as the basis for computing overtime. This is exactly the same provision which H.R. 9553 seeks to insert into the District of Columbia Minimum Wage Act. Thus, this proposed legislation would merely harmonize the District of Columbia act with existing Federal law.

The Fair Labor Standards Act does not apply to the District of Columbia in this matter, of course, because the District of Columbia Minimum Wage Act as amended imposes a shorter workweek as the basis for overtime pay.

SUPPORT FOR LEGISLATION

At a public hearing conducted on September 13, 1967, support for legislation identical to this bill was expressed by spokesmen for the former Board of Commissioners of the District of Columbia, and by the Hospital Council of the National Capital Area, Inc.

Also at this time, a background statement approving this approach to overtime pay in private hospitals was submitted on behalf of the American Hospital Association. This document cited a survey of hospitals in the Washington metropolitan area, which revealed that the employees in 10 of the 11 hospitals, surveyed in suburban Virginia and Maryland had elected the 80-hour, 14-day work period option available to them under the Fair Labor Standards Act. Further, the survey indicated that most of the hospitals in the District of Columbia have indicated that their employees also desire to continue their 80-hour, 14-day option if it becomes available to them.

This latter statement is supported by testimony from the director of nursing service at the Washington Hospital Center, who advised your committee that 285 employees in the nursing service at that institution signed a petition requesting the 80-hour, 2-week period, and that many others sought to sign it after it had been submitted to the Hospital Council.

There is strong evidence also that the

employees of these District of Columbia hospitals still favor the system for work schedules which the enactment of H.R. 9553 would permit them to choose. For example, our committee is reliably informed that the nonprofessional employees at the Washington Hospital Center, the largest private hospital in the District, would vote overwhelmingly for the adoption of the 14-day period for determination of overtime pay at this time, if they were permitted to do so.

BACKGROUND

Prior to the enactment of the District of Columbia Minimum Wage Act Amendments of 1966, there was no law providing for minimum wages or overtime pay for adult male employees in the District. However, many female and minor employees in private hospitals in the city were included under wage orders covering practical nurses, nurses' aides, employees in food preparation and service, laundryworkers and those employed in clerical, semitechnical, and building service occupations. However, the 1966 amendments to the act, which became effective as of April 15, 1967, provided minimum wage and overtime coverage for male as well as female employees in the District, and stipulated that as of April 15, 1967, all employees covered under the act were entitled to pay at 1½ their regular rate for work in excess of 42 hours in any workweek. And as of October 15, 1967, this overtime compensation was authorized for employment in excess of 40 hours per workweek.

Inasmuch as these amendments to the District of Columbia Minimum Wage Act did not contain any exclusion of hospital employees from the provisions of the act, this overtime coverage now includes all employees of private hospitals in the District of Columbia except those in executive, administrative, or professional positions. As a matter of fact, the House bill—H.R. 8126—to amend the District of Columbia Minimum Wage Act in 1966—80 Stat. 961—excluded private hospital employees from minimum wage and overtime coverage, but this exclusion was deleted in conference with the Senate.

THE HOSPITAL'S DILEMMA

Your committee is informed that this overtime requirement poses a serious problem for private hospitals in the District of Columbia. The peculiar nature of a hospital's operation, which requires it to be open and staffed 24 hours per day every day in the week, creates problems in the scheduling of personnel which makes it extremely difficult for hospitals to operate on a standard 40-hour workweek, with overtime compensation computed on the basis of such a 7-day period.

Such personnel includes those in nonexecutive, nonadministrative, and nonprofessional positions who are essential in providing 24 hours a day patient care and service. They are the admitting clerks, medical record clerks, dietary aides, housekeeping aides, laundry workers, nursing aides, and orderlies, X-ray technicians, laboratory technicians, operating room technicians, and others who must work evenings, nights, and weekends to provide assistance essential in caring for the illnesses of patients whose needs do not follow a 9 to 5, Monday through Friday schedule.

Because many such hospital employees must work during weekends to provide coverage necessary to protect the patients, it is desirable to schedule their working hours so that they work on alternate weekends. For this reason, it has been a common practice for hospital employees to serve 6 days in 1 week and 4 days in the next, with overtime compensation for work in excess of 80 hours during each such 2-week period. This system makes it possible for such employees to have every other weekend off, as well as an occasional free day during the week. Our committee is advised that this system had been followed in nine of the 11 private hospitals in the District of Columbia prior to the effective date of the 1966 amendments to the District of Columbia Minimum Wage Act, and that it proved very satisfactory both to the hospital and to their employees.

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

The SPEAKER. The question is on ordering the previous question.

PARLIAMENTARY INQUIRY

Mr. BURTON of California. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state the parliamentary inquiry.

Mr. BURTON of California, Mr. Speaker, is the motion before us to close debate or will there be a vote subsequent to the pending motion so that those of us who want a rollcall on this matter can obtain a rollcall vote.

The SPEAKER. The pending question is on ordering the previous question.

Mr. BURTON of California. This is to close debate and not on the passage of the matter? Will this be our last opportunity to receive a rollcall on this matter?

The SPEAKER. The Chair will state that the question on the passage of the bill will come later, if the previous question is ordered.

The question is on ordering the previous question.

The previous question was ordered.

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

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

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

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

Mr. BURTON of California. 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 220, nays 141, not voting 71, as follows:

[Roll No. 124]

YEAS—220

Abernethy	Frey	Pelly
Adair	Fuqua	Pickle
Anderson, Ill.	Galifianakis	Poage
Andrews, Ala.	Gettys	Poff
Arends	Giaimo	Pollock
Aspinall	Goldwater	Preyer, N.C.
Ayres	Goodling	Price, Tex.
Baring	Green, Oreg.	Purcell
Belcher	Griffin	Quie
Bell, Calif.	Gross	Quillen
Bennett	Grover	Railsback
Betts	Gubser	Rarick
Bevill	Gude	Reid, Ill.
Biester	Hagan	Reifel
Blackburn	Haley	Rhodes
Blanton	Hall	Riegle
Bow	Hammer-schmidt	Rivers
Bray	Hansen, Idaho	Roberts
Brinkley	Harsha	Robison
Brotzman	Harvey	Rogers, Fla.
Brown, Ohio	Henderson	Roth
Broyhill, N.C.	Hogan	Roudebush
Broyhill, Va.	Hull	Ruth
Buchanan	Hunt	Satterfield
Burke, Fla.	Hutchinson	Schadeberg
Burleson, Tex.	Ichord	Scherle
Bush	Jarman	Schneebeli
Button	Jonas	Schwengel
Byrnes, Wis.	Jones, Ala.	Scott
Cabell	Jones, N.C.	Sebelius
Caffery	Jones, Tenn.	Shipley
Cahill	Kazen	Shriver
Camp	Kee	Sikes
Carter	Keith	Sisk
Casey	King	Skubitz
Cederberg	Kleppe	Slack
Chamberlain	Kuykendall	Smith, Iowa
Chappell	Kyl	Smith, N.Y.
Clancy	Landrum	Snyder
Clawson, Del	Langen	Springer
Cleveland	Latta	Stafford
Collier	Lennon	Stanton
Collins	Lukens	Steed
Colmer	McClory	Steiger, Ariz.
Conable	McCloskey	Steiger, Wis.
Corbett	McClure	Stephens
Coughlin	McCulloch	Stubblefield
Cowger	McDade	Stuckey
Cramer	McDonald, Mich.	Taft
Cunningham	McEwen	Talcott
Daniel, Va.	McKneally	Taylor
Davis, Wis.	McMillan	Teague, Calif.
de la Garza	Mahon	Teague, Tex.
Dellenback	Mann	Thompson, Ga.
Denney	Marsh	Thomson, Wis.
Dennis	Martin	Utt
Devine	May	Vander Jagt
Dorn	Mayne	Waggonner
Dowdy	Meskill	Wampler
Downing	Michel	Watson
Duncan	Miller, Ohio	Watts
Dwyer	Mills	Weicker
Edmondson	Mize	Whitehurst
Edwards, Ala.	Mizell	Widnall
Edwards, La.	Montgomery	Wiggins
Erlenborn	Mosher	Williams
Evans, Colo.	Myers	Wilson, Bob
Findley	Natcher	Winn
Fish	Nichols	Wold
Fisher	O'Konski	Wydler
Flowers	O'Neal, Ga.	Wylie
Flynt	Passman	Wyman
Foreman	Pelly	Zion
Fountain	Pickle	Zwach

NAYS—141

Adams	Daniels, N.J.	Hamilton
Addabbo	Dent	Hanley
Alexander	Diggs	Hanna
Anderson, Calif.	Dingell	Hansen, Wash.
Annunzio	Donohue	Hathaway
Ashley	Dulski	Hawkins
Barrett	Eckhardt	Hays
Beall, Md.	Edwards, Calif.	Hechler, W. Va.
Biaggi	Eilberg	Heckler, Mass.
Bingham	Fallon	Helstoski
Boland	Farbstein	Hicks
Bolling	Fascell	Horton
Brademas	Feighan	Hungate
Brasco	Flood	Jacobs
Brooks	Foley	Joelson
Brown, Calif.	Fraser	Johnson, Calif.
Burke, Mass.	Friedel	Karth
Burlison, Mo.	Fulton, Pa.	Kastenmeier
Burton, Calif.	Fulton, Tenn.	Kluczynski
Chisholm	Garmatz	Koch
Clark	Gaydos	Kyros
Clay	Gibbons	Leggett
Cohelan	Gilbert	Long, Md.
Conte	Gonzalez	McCarthy
Corman	Gray	McFall
Daddario	Green, Pa.	Macdonald,
	Griffiths	

Madden	O'Neill, Mass.	Staggers
Matsunaga	Ottinger	Sullivan
Meeds	Patman	Symington
Melcher	Pepper	Thompson, N.J.
Mikva	Perkins	Tiernan
Miller, Calif.	Philbin	Tunney
Minish	Pike	Ullman
Mink	Pryor, Ark.	Van Deerlin
Mollohan	Pucinski	Vanik
Monagan	Randall	Vigorito
Moorhead	Rees	Waldie
Morgan	Reid, N.Y.	Whalen
Morse	Reuss	White
Moss	Rodino	Wilson,
Murphy, Ill.	Rogers, Colo.	Charles H.
Murphy, N.Y.	Ronan	Wolff
Nedzi	Rooney, N.Y.	Wright
Nix	Rostenkowski	Wyatt
Obey	Roybal	Yatron
O'Hara	Ryan	Young
Olsen	Scheuer	Zablocki

NOT VOTING—71

Abbitt	Dickinson	Mathias
Albert	Esch	Minshall
Anderson, Tenn.	Eshleman	Morton
	Evins, Tenn.	Nelsen
Andrews, N. Dak.	Ford, Gerald R	Patten
	Ford, William D.	Pettis
Ashbrook		Pirnie
Berry	Frelinghuysen	Podell
Blatnik	Gallagher	Powell
Boggs	Halpern	Price, Ill.
Brock	Hastings	Rooney, Pa.
Broomfield	Hébert	Rosenthal
Brown, Mich.	Holifield	Ruppe
Burton, Utah	Hosmer	St Germain
Byrne, Pa.	Howard	St. Onge
Carey	Johnson, Pa.	Sandman
Celler	Kirwan	Saylor
Clausen, Don H.	Landgrebe	Smith, Calif.
	Lipscomb	Stokes
Conyers	Lloyd	Stratton
Culver	Long, La.	Udall
Davis, Ga.	Lowenstein	Watkins
Dawson	Lujan	Whalley
Delaney	MacGregor	Whitten
Derwinski	Mailliard	Yates

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Long of Louisiana for, with Mr. Holifield against.

Mr. Hébert for, with Mr. Halpern against.

Mr. Smith of California for, with Mr. Byrne of Pennsylvania against.

Mr. Whitten for, with Mr. Yates against.

Mr. Abbitt for, with Mr. Howard against.

Mr. Dickinson for, with Mr. Carey against.

Mr. Berry for, with Mr. Celler against.

Mr. Mathias for, with Mr. Delaney against.

Mr. Johnson of Pennsylvania for, with Mr. St. Onge against.

Mr. Broomfield for, with Mr. Patten against.

Mr. Frelinghuysen for, with Mr. Lowenstein against.

Mr. Andrews of North Dakota for, with Mr. Podell against.

Mr. Burton of Utah for, with Mr. St Germain against.

Mr. Sandman for, with Mr. Blatnik against.

Mr. Hosmer for, with Mr. Rosenthal against.

Mr. Davis of Georgia for, with Mr. Rooney of Pennsylvania against.

Mr. Ashbrook for, with Mr. Price of Illinois against.

Mr. Eshleman for, with Mr. Kirwan against.

Mr. Brock for, with Mr. Gallagher against.

Mr. Pettis for, with Mr. Udall against.

Mr. Lloyd for, with Mr. Conyers against.

Mr. Nelsen for, with Mr. Stokes against.

Mr. Lujan for, with Mr. William D. Ford against.

Until further notice:

Mr. Albert with Mr. Gerald R. Ford.

Mr. Evins of Tennessee with Mr. Mailliard.

Mr. Boggs with Mr. Morton.

Mr. Anderson of Tennessee with Mr. Brown of Michigan.

Mr. Culver with Mr. Don H. Clausen.

Mr. Stratton with Mr. Derwinski.

Mr. Lipscomb with Mr. Esch.

Mr. Pirnie with Mr. Landgrebe.

Mr. MacGregor with Mr. Ruppe.

Mr. Watkins with Mr. Hastings.

Mr. Powell with Mr. Whalley.

Mr. Saylor with Mr. Minshall.

Mr. MOLLOHAN and Mr. ROBERTS changed their votes from "nay" to "yea."

Mr. FULTON of Tennessee, Mr. STAGGERS, and Mr. MOLLOHAN changed their votes from "yea" to "nay."

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

ADOPTION OF THE INTERSTATE COMPACT ON JUVENILES BY THE DISTRICT OF COLUMBIA

Mr. McMILLAN. Mr. Speaker, at this time I yield to the gentleman from Michigan (Mr. DIGGS) to call up the bill reported by his subcommittee.

Mr. DIGGS. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H.R. 8868) to authorize the District of Columbia to enter into the interstate compact on juveniles, and ask unanimous consent that the bill be considered in the House as in Committee on the Whole.

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

There was no objection.

The Clerk read the bill, as follows:

H.R. 8868

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Congress finds that (1) juveniles who are not under proper supervision and control, or who have absconded, escaped, or run away, are likely to endanger their own health, morals, and welfare, and the health, morals, and welfare of others, and (2) the cooperation of the District of Columbia with the States is necessary to provide for the welfare and protection of juveniles and other persons in the District of Columbia.

(b) The Congress intends, in authorizing the District of Columbia to adopt the Interstate Compact on Juveniles, to have the District of Columbia cooperate fully with the States (1) in returning juveniles to those States requesting their return, and (2) in accepting and providing for the return of juveniles who are residents in the District of Columbia and who are found or apprehended in a State.

SEC. 2. (a) The Commissioner of the District of Columbia (hereafter in this Act referred to as the "Commissioner") is authorized to enter into and execute on behalf of the District of Columbia a compact with any State or States legally joining therein in the form substantially as follows:

"THE INTERSTATE COMPACT ON JUVENILES

"The contracting states solemnly agree:

"ARTICLE I—*Findings and Purposes*

"That juveniles who are not under proper supervision and control, or who have absconded, escaped, or run away, are likely to endanger their own health, morals and welfare, and the health, morals and welfare of others. The cooperation of the states party to this compact is therefore necessary to provide for the welfare and protection of juveniles and of the public with respect to (1) cooperative supervision of delinquent juveniles on probation or parole; (2) the return, from one state to another, of delinquent juveniles who have escaped or absconded; (3) the return, from one state to another, of non-delinquent juveniles who have run away from home; and (4) additional measures for the protection of juveniles and of the public, which any two or more of the party states may find desirable to undertake cooperatively. In carrying out the provisions of this compact the party states shall be guided by the non-criminal, reformative and protective policies which guide their laws concerning delinquent, neglected or dependent juveniles generally. It shall be the policy of the states party to this compact to cooperate and observe their respective responsibilities for the prompt return and acceptance of juveniles and delinquent juveniles who become subject to the provisions of this compact. The provisions of this compact shall be reasonably and liberally construed to accomplish the foregoing purposes.

"ARTICLE II—*Existing Rights and Remedies*

"That all remedies and procedures provided by this compact shall be in addition to and not in substitution for other rights, remedies and procedures, and shall not be in derogation of parental rights and responsibilities.

"ARTICLE III—*Definitions*

"That, for the purposes of this compact, 'delinquent juvenile' means any juvenile who has been adjudged delinquent and who, at the time the provisions of this compact are invoked, is still subject to the jurisdiction of the court that has made such adjudication or to the jurisdiction or supervision of an agency or institution pursuant to an order of such court; 'probation or parole' means any kind of conditional release of juveniles authorized under the laws of the states party hereto; 'court' means any court having jurisdiction over delinquent, neglected or dependent children; 'state' means any state, territory or possessions of the United States, the District of Columbia, and the Commonwealth of Puerto Rico; and 'residence' or any variant thereof means a place at which a home or regular place of abode is maintained.

"ARTICLE IV—*Return of Runaways*

"(a) That the parent, guardian, person or agency entitled to legal custody of a juvenile who has not been adjudged delinquent but who has run away without the consent of such parent, guardian, person or agency may petition the appropriate court in the demanding state for the issuance of a requisition for his return. The petition shall state the name and age of the juvenile, the name of the petitioner and the basis of entitlement to the juvenile's custody, the circumstances of his running away, his location if known at the time application is made, and such other facts as may tend to show that the juvenile who has run away is endangering his own welfare or the welfare of others and is not an emancipated minor. The petition shall be verified by affidavit, shall be executed in duplicate, and shall be accompanied by two certified copies of the document or documents on which the petitioner's entitlement to the juvenile's custody is based, such as birth certificates, letters of guardianship, or custody decrees. Such further affidavits and other documents as may be deemed proper may be submitted with such petition. The judge of the court to which this application is made may hold a hearing thereon to determine whether for the purposes of this compact the petitioner is entitled to the legal custody of the juvenile, whether or not it appears that the juvenile has in fact run away without consent, whether or not he is an emancipated minor, and whether or not it is in the best interest of the juvenile to compel his return to the state. If the judge determines, either with or without a hearing, that the juvenile should be returned, he shall present the appropriate court or to the executive authority of the state where the juvenile is alleged to

be located a written requisition for the return of such juvenile. Such requisition shall set forth the name and age of the juvenile. The determination of the court that the juvenile has run away without the consent of a parent, guardian, person or agency entitled to his legal custody, and that it is in the best interest and for the protection of such juvenile that he be returned. In the event that a proceeding for the adjudication of the juvenile as a delinquent, neglected or dependent juvenile is pending in the court at the time when such juvenile runs away, the court may issue a requisition for the return of such juvenile upon its own motion, regardless of the consent of the parent, guardian, person or agency entitled to legal custody, reciting therein the nature and circumstances of the pending proceeding. The requisition shall in every case be executed in duplicate and shall be signed by the judge. One copy of the requisition shall be filed with the compact administrator of the demanding state, there to remain on file subject to the provisions of law governing records of such court. Upon the receipt of a requisition demanding the return of a juvenile who has run away, the court or the executive authority to whom the requisition is addressed shall issue an order to any peace officer or other appropriate person directing him to take into custody and detain such juvenile. Such detention order must substantially recite the facts necessary to the validity of its issuance hereunder. No juvenile detained upon such order shall be delivered over to the officer whom the court demanding him shall have appointed to receive him, unless he shall first be taken forthwith before a judge of a court in the state, who shall inform him of the demand made for his return, and who may appoint counsel or guardian ad litem for him. If the judge of such court shall find that the requisition is in order, he shall deliver such juvenile over to the officer whom the court demanding him shall have appointed to receive him.

The judge, however, may fix a reasonable time to be allowed for the purpose of testing the legality of the proceeding.

"Upon reasonable information that a person is a juvenile who has run away from another state party to this compact without the consent of a parent, guardian, person or agency entitled to his legal custody, such juvenile may be taken into custody without a requisition and brought forthwith before a judge of the appropriate court who may appoint counsel or guardian ad litem for such juvenile and who shall determine after a hearing whether sufficient cause exists to hold the person, subject to the order of the court, for his own protection and welfare, for such a time not exceeding 90 days as will enable his return to another state party to this compact pursuant to a requisition for his return from a court of that state. If, at the time when a state seeks the return of a juvenile who has run away, there is pending in the state wherein he is found any criminal charge, or any proceeding to have him adjudicated a delinquent juvenile for an act committed in such state, or if he is suspected of having committed within such state a criminal offense or an act of juvenile delinquency, he shall not be returned without the consent of such state until discharged from prosecution or other form of proceeding, imprisonment, detention or supervision for such offense or juvenile delinquency. The duly accredited officers of any state party to this compact, upon the establishment of their authority and the identity of the juvenile being returned, shall be permitted to transport such juvenile through any and all states party to this compact, without interference. Upon his return to the state from which he ran away, the juvenile shall be subject to such further proceedings as may be appropriate under the laws of that state.

"(b) That the state to which a juvenile is returned under this Article shall be responsible for payment of the transportation costs of such return.

"(c) That 'juvenile' as used in this Article means any person who is a minor under the law of the state of residence of the parent, guardian, person or agency entitled to the legal custody of such minor.

"ARTICLE V—*Return of Escapees and Absconders*

"(a) That the appropriate person or authority from whose probation or parole supervision a delinquent juvenile has absconded or from whose institutional custody he has escaped shall present to the appropriate court or to the executive authority of the state where the delinquent juvenile is alleged to be located a written requisition for the return of such delinquent juvenile. Such requisition shall state the name and age of the delinquent juvenile, the particulars of his adjudication as a delinquent juvenile, the circumstances of the breach of the terms of his probation or parole or of his escape from an institution or agency vested with his legal custody or supervision, and the location of such delinquent juvenile, if known, at the time the requisition is made. The requisition shall be verified by affidavit, shall be executed in duplicate, and shall be accompanied by two certified copies of the judgment, formal adjudication, or order of commitment which subjects such delinquent juvenile to probation or parole or to the legal custody of the institution or agency concerned. Such further affidavits and other documents as may be deemed proper may be submitted with such requisition. One copy of the requisition shall be filed with the compact administrator of the demanding state, there to remain on file subject to the provisions of law governing records of the appropriate court. Upon the receipt of a requisition demanding the return of a delinquent juvenile who has absconded or escaped, the court or the executive authority to whom the requisition is addressed shall issue an order to any peace officer or other appropriate person directing him to take into custody and detain such delinquent juvenile. Such detention order must substantially recite the facts necessary to the validity of its issuance hereunder. No delinquent juvenile detained upon such order shall be delivered over to the officer whom the appropriate person or authority demanding him shall have appointed to receive him, unless he shall first be taken forthwith before a judge of an appropriate court in the state, who shall inform him of the demand made for his return and who may appoint counsel or guardian ad litem for him. If the judge of such court shall find that the requisition is in order, he shall deliver such delinquent juvenile over to the officer whom the appropriate person or authority demanding him shall have appointed to receive him. The judge, however, may fix a reasonable time to be allowed for the purpose of testing the legality of the proceeding.

"Upon reasonable information that a person is a delinquent juvenile who has absconded while on probation or parole, or escaped from an institution or agency vested with his legal custody or supervision in any state party to this compact, such person may be taken into custody in any other State party to this compact without a requisition. But in such event, he must be taken forthwith before a judge of the appropriate court, who may appoint counsel or guardian ad litem for such person and who shall determine, after a hearing, whether sufficient cause exists to hold the persor subject to the order of the court for such a time, not exceeding 90 days, as will enable his detention under a detention order issued on a requisition pursuant to this article. If, at the time when a State seeks the return of a delinquent juvenile who has either absconded while on probation or parole or escaped from an institution or agency vested with his legal custody or supervision, there is pending in the State wherein he is detained any criminal charge or any proceeding to have him adjudicated a delinquent juvenile for an act committed in such State, or if he is suspected of having committed within such State a criminal offense or an act of juvenile delinquency, he shall not be returned without the consent of such State until discharged from prosecution or other form of proceeding, imprisonment, detention or supervision for such offense or juvenile delinquency. The duly accredited officers of any state party to this compact, upon the establishment of their authority and the identity of the delinquent juvenile being returned, shall be permitted to transport such delinquent juvenile through any and all States party to this compact, without interference. Upon his return to the State from which he escaped or absconded, the delinquent juvenile shall be subject to such further proceedings as may be appropriate under the laws of that State.

"(b) That the State to which a delinquent juvenile is returned under this article shall be responsible for the payment of the transportation costs of such return.

"ARTICLE VI—*Voluntary Return Procedure*

"That any delinquent juvenile who has absconded while on probation or parole, or escaped from an institution or agency vested with his legal custody or supervision in any state party to this compact, and any juvenile who has run away from any state party to this compact, who is taken into custody without a requisition in another state party to this compact under the provisions of Article IV(a) or of Article V(a), may consent to his immediate return to the state from which he absconded, escaped or ran away. Such consent shall be given by the juvenile or delinquent juvenile and his counsel or guardian ad litem if any, by executing or subscribing a writing, in the presence of a judge of the appropriate court, which states that the juvenile or delinquent juvenile and his counsel or guardian ad litem, if any, consent to his return to the demanding state. Before such consent shall be executed or subscribed, however, the judge, in the presence of counsel or guardian ad litem, if any, shall inform the juvenile or delinquent juvenile of his rights under this compact. When the consent has been duly executed, it shall be forwarded to and filed with the compact administrator of the state in which the court is located and the judge shall direct the officer having the juvenile or delinquent juvenile in custody to deliver him to the duly, accredited officer or officers of the state demanding his returning, and shall cause to be delivered to such officer or officers a copy of the consent. The court may, however, upon the request of the state to which the juvenile or delinquent juvenile is being returned, order him to return unaccompanied to such state and shall provide him with a copy of such court order; in such event a copy of the consent shall be forwarded to the compact administrator of the state to which said juvenile or delinquent juvenile is ordered to return.

"ARTICLE VII—*Cooperative Supervision of Probationers and Parolees*

"(a) That the duly constituted judicial and administrative authorities of a state party to this compact (herein called 'sending state') may permit any delinquent juvenile within such state, placed on probation or parole, to reside in any other state party to this compact (herein called "receiving state") while on probation or parole, and the receiving state shall accept such delinquent juvenile, if the parent, guardian or person entitled to the legal custody of such delinquent juvenile is residing or undertakes to reside within the receiving state. Before granting such permission, opportunity shall be given to the receiving state to make such

investigations as it deems necessary. The authorities of the sending state shall send to the authorities of the receiving state copies of pertinent court orders, social case studies and all other available information which may be of value to and assist the receiving state in supervising a probationer or parolee under this compact. A receiving state, in its discretion, may agree to accept supervision of a probationer or parolee in cases where the parent, guardian or person entitled to the legal custody of the delinquent juvenile is not a resident of the receiving state, and if so accepting the sending state may transfer supervision accordingly.

"(b) That each receiving state will assume the duties of visitation and of supervision over any such delinquent juvenile and in the exercise of those duties will be governed by the same standards of visitation and supervision that prevail for its own delinquent juveniles released on probation or parole.

"(c) That, after consultation between the appropriate authorities of the sending state and of the receiving state as to the desirability and necessity of returning such a delinquent juvenile, the duly accredited officers of a sending state may enter a receiving state and there apprehend and retake any such delinquent juvenile on probation or parole. For that purpose, no formalities will be required, other than establishing the authority of the officer and the identity of the delinquent juvenile to be retaken and returned. The decision of the sending state to retake a delinquent juvenile on probation or parole shall be conclusive upon and not reviewable within the receiving state, but if, at the time the sending state seeks to retake a delinquent juvenile on probation or parole, there is pending against him within the receiving state any criminal charge or any proceeding to have him adjudicated a delinquent juvenile for any act committed in such state or if he is suspected of having committed within such state a criminal offense or an act of juvenile delinquency, he shall not be returned without the consent of the receiving state until discharged from prosecution or other form of proceeding, imprisonment, detention or supervision for such offense or juvenile delinquency. The duly accredited officers of the sending state shall be permitted to transport delinquent juveniles being so returned through any and all states party to this compact, without interference.

"(d) That the sending state shall be responsible under this Article for paying the costs of transporting any delinquent juvenile to the receiving state or of returning any delinquent juvenile to the sending state.

"ARTICLE VIII—*Responsibility for Costs*

"(a) That the provisions of Articles IV(b), V(b) and VII(d) of this compact shall not be construed to alter or affect any internal relationship among the departments, agencies and officers of and in the government of a party state, or between a party state and its subdivisions, as to the payment of costs, or responsibilities therefor.

"(b) That nothing in this compact shall be construed to prevent any party state or subdivision thereof from asserting any right against any person, agency or other entity in regard to costs for which such party state or subdivision thereof may be responsible pursuant to Articles IV(b), V(b) or VII(d) of this compact.

"ARTICLE IX—*Detention Practices*

"That, to every extent possible, it shall be the policy of states party to this compact that no juvenile or delinquent juvenile shall be placed or detained in any prison, jail or lockup nor be detained or transported in association with criminal, vicious or dissolute persons.

"ARTICLE X—*Supplementary Agreements*

"That the duly constituted administrative authorities of a state party to this compact may enter into supplementary agreements with other state or states party hereto for the cooperative care, treatment and rehabilitation of delinquent juveniles whenever they shall find that such agreements will improve the facilities or programs available for such care, treatment, and rehabilitation. Such care, treatment and rehabilitation may be provided in an institution located within any state entering into such supplementary agreement. Such supplementary agreements shall (1) provide the rates to be paid for the care, treatment and custody of such delinquent juveniles, taking into consideration the character of facilities, services and subsistence furnished (2) provide that the delinquent juvenile shall be given a court hearing prior to his being sent to another state for care, treatment and custody; (3) provide that the state receiving such a delinquent juvenile in one of its institutions shall act solely as agent for the state sending such delinquent juvenile; (4) provide jurisdiction over delinquent juveniles sent to an institution in another state; (5) provide that the sending state shall at all times retain for reasonable inspection of such institutions by the sending state; (6) provide that the consent of the parent, guardian, person or agency entitled to the legal custody of said delinquent juvenile shall be secured prior to his being sent to another state and (7) make provision for such other matters and details as shall be necessary to protect the rights and equities of such delinquent juveniles and of the cooperating states.

"ARTICLE XI—*Acceptance of Federal and Other Aid*

"That any state party to this compact may accept any and all donations, gifts and grants of money, equipment and services from the federal or any local government, or any agency thereof and from any person, firm or corporation, for any of the purposes and functions of this compact, and may receive and utilize, the same subject to the terms, conditions and regulations governing such donations, gifts and grants.

"ARTICLE XII—*Compact Administrators*

"That the governor of each state party to this compact shall designate an officer who, acting jointly with like officers of other party states, shall promulgate rules and regulations to carry out more effectively the terms and provisions of this compact.

"ARTICLE XIII—*Execution of Compact*

"That this compact shall become operative immediately upon its execution by any state as between it and any other state or states so executing. When executed it shall have the full force and effect of law within such state, the form or execution to be in accordance with the laws of the executing state.

"ARTICLE XIV—*Renunciation*

"That this compact shall continue in force and remain binding upon each executing state until renounced by it. Renunciation of this compact shall be by the same authority which executed it, by sending six months' notice in writing of its intention to withdraw from the compact to the other states party hereto. The duties and obligations of a renouncing state under Article VII hereof shall continue as to parolees and probationers residing therein at the time of withdrawal until retaken or finally discharged. Supplementary agreements entered into under Article X hereof shall be subject to renunciation as provided by such supplementary agreements, and shall not be subject to the six months' renunciation notice of the present Article.

"ARTICLE XV—*Severability*

"That the provisions of this compact shall be severable and if any phase, clause, sentence or provision of this compact is declared to be contrary to the constitution of any participating state or of the United States or the applicability thereof to any government, agency, person or circumstance is held invalid, the validity of the remainder of this compact and the applicability thereof to any government, agency, person or circumstances shall not be affected thereby. If this compact shall be held contrary to the constitution of any state participating therein, the compact shall remain in full force and effect as to the remaining states and in full force and effect as to the state affected as to all severable matters."

(b) The Commissioner may enter into and execute on behalf of the District of Columbia the following additional articles to the Interstate Compact on Juveniles:

"ARTICLE XVI—*Additional Provision Relating to Return of Minor Children*

"This article shall provide additional remedies, and shall be binding only as among and between those party states which specifically execute the same.

"For the purposes of this article, 'child', as used herein, means any minor within the jurisdictional age limits of any court in the home state.

"When any child is brought before a court of a state of which such child is not a resident, and such state is willing to permit such child's return to the home state of such child, such home state, upon being so advised by the state in which such proceeding is pending, shall immediately institute proceedings to determine the residence and jurisdictional facts as to such child in such home state, and upon finding that such child is in fact a resident of said state and subject to the jurisdiction of the court thereof, shall within five days authorize the return of such child to the home state, and to the parent or custodial agency legally authorized to accept such custody in such home state, and at the expense of such home state, to be paid from such funds as such home state may procure, designate, or provide, prompt action being of the essence.

"ARTICLE XVII—*Additional Provision Concerning Interstate Rendition of Juveniles Alleged To Be Delinquent*

"This article shall provide additional remedies, and shall be binding only as among and between those party states which specifically execute the same.

"All provisions and procedures of articles V and VI of the Interstate Compact on Juveniles shall be construed to apply to any juvenile charged with being a delinquent by reason of a violation of any criminal law. Any juvenile, charged with being a delinquent by reason of violating any criminal law shall be returned to the requesting State upon a requisition to the State where the juvenile may be found. A petition in such case shall be filed in a court of competent jurisdiction in the requesting State where the violation of criminal law is alleged to have been committed. The petition may be filed regardless of whether the juvenile has left the State before or after the filing of the petition. The requisition described in article V of the compact shall be forwarded by the judge of the court in which the petition has been filed."

SEC. 3. (a) The Commissioner shall appoint or designate an officer of the government of the District of Columbia (hereafter in this Act referred to as the "compact administrator") to administer the compact. The compact administrator shall serve at the pleasure of the Commissioner.

(b) The compact administrator, acting jointly with like officers of party States, shall promulgate rules and regulations to carry out more effectively the terms of the compact. The compact administrator shall cooperate with all departments, agencies, and officers of the government of the District of Columbia in facilitating the proper administration of the compact or of any supplementary agreement entered into by the compact

administrator under subsection (c) of this section.

(c) Subject to the approval of the Commissioner, the compact administrator may enter into supplementary agreements with appropriate State officials for the purposes of administering the compact.

(d) Subject to the approval of the Commissioner, the compact administrator may make or arrange for any payments necessary to discharge any financial obligations imposed upon the District of Columbia by the compact or by any supplementary agreement entered into under subsection (c) of this section.

SEC. 4. The courts, departments, agencies, and officers of the District of Columbia shall enforce the compact and shall take such action as may be necessary to carry out the purposes and intent of the compact which may be within their respective jurisdictions.

SEC. 5. The compact shall not be construed to prohibit the adoption of any other plan or procedure for the District of Columbia for the return of any runaway juvenile.

Mr. DIGGS. Mr. Speaker, the purpose of H.R. 8868 is to authorize the Commissioners of the District of Columbia to cooperate fully with the various States in two ways; namely, first, in returning juveniles from the District to those States requesting their return; and second, in accepting and providing for the return of juveniles who are residents of the District of Columbia and who are found or apprehended in other States.

The bill provides further that the compact will be administered in the District by an official designated by the Commissioner. This will assure the advantages of localizing responsibility and centralizing information.

HISTORY OF THE INTERSTATE COMPACT ON JUVENILES

In the early 1950's, financial and legal problems involving the transportation, supervision, and control of juvenile delinquents between State jurisdictions reached the stage where a need for some form of interstate agreement on the handling of juveniles was apparent.

Virtually all leading spokesmen in the field of juvenile delinquency concurred in the belief that the States should adopt legislation similar to that which already had proved successful for the supervision of adult parolees and probationers; namely, uniform procedures to expedite the return of delinquent and runaway juveniles from other States and to assure proper supervision of a juvenile whose offense was committed and adjudicated in one State but who subsequently was authorized to reside in another State.

In 1954, the National Council of Juvenile Court Judges drafted a preliminary interstate compact on juveniles. Later that same year, the Council of State Governments, assisted by such organizations as the National Probation and Parole Association, the American Public Welfare Association, and the Special Committee on Juvenile Delinquency of the U.S. Senate, drafted the present interstate compact on juveniles.

Final action on this interstate compact was taken by these and other groups in January of 1955. That same year, 10 State legislatures adopted this compact, and today the compact is law in all but three States. These are New Mexico, Georgia, and South Carolina.

HEARINGS

A public hearing on this proposed legislation was conducted on July 1, 1969, by Subcommittee No. 2. At that time, testimony in favor of its enactment was offered by spokesmen for the U.S. Department of Justice, the Federal Bureau of Prisons, the Association of Juvenile Compact Administrators of the Council of State Governments, the Maryland State Department of Juvenile Services, the Virginia Department of Welfare and Institutions, and the government of the District of Columbia. No opposition to the bill was expressed.

NEED FOR LEGISLATION

Your committee is informed that the FBI uniform crime reports continue to indicate an increase in crime throughout the country especially among juveniles. Serious crime increased by 10 percent nationally during the first 3 months of 1969, as compared to the same period in 1968. Any effort to reduce the incidence of crime must include in the opinion of your committee, programs to provide effective control and correction of juvenile offenders.

This view is adequately supported by the ugly facts concerning juvenile crime in the Nation's Capital. Statistics released last April by the District of Columbia juvenile court reveal an increase during the first 3 months of this year in juveniles charged with serious crimes. These included 12 juveniles, three of whom were less than 16 years of age, who were charged with homicide. Seventy-nine were charged with armed robbery during this period. Further, a national report indicates that youths today are committing about one-half of all the serious crimes in the United States.

This situation emphasizes the need for speedy apprehension and swift justice in dealing with these youthful offenders, since the certainty of apprehension is probably the most effective deterrent to crime. During the first 3 months of this year, for example, a total of 305 repeater juveniles were arrested in the District of Columbia while awaiting final disposition of their previous offenses.

Certainly one important step in achieving more effective treatment of juvenile delinquents in the District would be to equip the city's law enforcement officials with the tools to pursue and arrest juveniles who seek refuge behind jurisdictional boundaries to escape apprehension. This vitally important authority will be provided by the enactment of H.R. 8868, which will result in the District's entering into the interstate compact on juveniles.

Your committee is informed that at the present time, the District of Columbia juvenile authorities have little difficulty in having delinquents and runaway juveniles returned from the neighboring States of Virginia and Maryland, because of an informal pact existing among these jurisdictions. However, the District of Columbia does have a serious problem in regard to runaway juveniles. Your committee is advised that this city is presently a haven for such runaways, and there is great need for authority to return these juveniles to their homes in New York, New Jersey, North Carolina, and many other States. It is estimated that this use of the compact would involve approximately 50 to 100 juveniles per year in the District of Columbia. This committee was advised also that the compact administrators in other States are highly in favor of the enactment of H.R. 8868, as it will enable them for the first time to deal effectively with the District of Columbia with respect to juvenile refugees, as they can presently do with the other 46 member States.

Mr. GUDE. Mr. Speaker, as sponsor of H.R. 8868, I rise to urge the passage of this legislation which would authorize the District of Columbia to enter into the interstate compact on juveniles.

As we continue our struggle against crime at all levels of government, it is imperative we give particular attention to the role of juveniles. This is dramatically revealed in the statistics that out of every 10 adult crime offenders 7 have had some type of juvenile record. We must upgrade all elements of our legal machinery in dealing with juveniles from the time of arrest to probation, parole, and final release.

The bill we are considering today is an important step in assisting the District of Columbia officials and officials of many other States of the Union who must work with juvenile offenders or runaways who cross jurisdictional boundaries. It will assist in guaranteeing that juveniles receive justice with deliberate speed which is an important element of any effective crime-fighting effort.

The legislation would assist in returning juvenile offenders or runaways from the District of Columbia to States requesting their return and also make it possible to accept and provide for the return from other jurisdictions of juvenile offenders or runaways who are residents of the District of Columbia. It would not, however, in any way relieve parents of their responsibilities.

Because of the growing amount of travel throughout the country juvenile authorities in the early 1950's developed the idea of an Interstate Compact Authority to better deal with the movement of juvenile offenders and runaways across jurisdictional boundaries. Today all but three States: New Mexico, Georgia, and South Carolina, are signators to the interstate compact.

Maryland, the District of Columbia and Virginia juvenile authorities testified in support of this bill as did the Department of Justice. A statement of support was also submitted in behalf of the Association of Juvenile Compact Administrators of the Council of State Governments.

I hope that the House will give its full support to this—an important measure in dealing with juvenile crime specifically and the care of juveniles in general.

Mr. HOGAN. Mr. Speaker, I rise in support of H.R. 8868, which authorizes the District of Columbia to enter into the interstate compact on juveniles.

As a cosponsor of this bill, I would like to point out to my colleagues some features of this measure for their consideration.

All are agreed that a problem exists with runaway juveniles, both delinquent

and nondelinquent. Thousands of youngsters every day leave parental control. Some of these juveniles, lured to the large cities, cross State lines, and travel great distances. Today's transportation systems offer a mobility which compounds the problem. Years ago, a juvenile was not likely to get too far from home. But today this is not so. This means that whoever has control, parental or otherwise, spends a considerable amount of time trying to find these runaways, and, then even after they are discovered, spends a great deal more time to effect their return.

This bill would assist in securing a speedy return of these runaways who cross State boundaries by providing for simplified legal procedures to expedite the return of delinquents and nondelinquents. Further, it permits an intelligent solution to the problem of control over juvenile probationers or parolees when they reside with their parents or guardians in a State other than that in which they were sentenced.

I think that, with the greater mobility of our present day society, this bill is very necessary, and reasonable. The juvenile remains under the control of the parent or guardian and is not separated. In these cases, the receiving State exercises the duties of supervision.

For the juvenile runaway, there are safeguards in this bill as to the manner of detention. Any State party to this compact must see to it that these minors are not detained in any prison or jail, and are not transported in association with hardened criminals.

I believe that the District of Columbia, by becoming a party to this compact, will make a progressive step forward to an enlightened solution of this ever-increasing problem. Therefore, I urge my distinguished colleagues to vote in favor of this bill.

Mr. BROYHILL of Virginia. Mr. Speaker, I wish to commend to my colleagues for favorable action the bill H.R. 8868, of which I am pleased to be a cosponsor. The purpose of this legislation is to authorize the District of Columbia to enter into the interstate compact on juveniles.

This compact was ratified by the first State in December of 1955, and today it has been adopted by every State in the Union with the exception of New Mexico, Georgia, and South Carolina.

The interstate compact on juveniles has provided a uniform agreement virtually national in scope, providing a legal procedure and means for the proper handling of delinquent juveniles who seek to avoid apprehension by fleeing to another State, and also runaway juveniles who have not been adjudged as delinquent. The compact actually has a twofold purpose. It protects the rights and the best interests of the juveniles themselves, and at the same time it provides the courts a legal structure and procedure by which the interests of the member States and of the general public also are served. Also, it is important to note that this compact does not limit other existing legislation relating to juveniles, nor does it abrogate parental authority.

In essence, the compact provides for the following:

First, the return to their home State of runaways who have not as yet been adjudged delinquent;

Second, the return of absconders and escapees to the State from which they absconded or escaped;

Third, investigation, placement, and supervision of a delinquent juvenile who is to be placed in a State other than the one in which he committed an offense; and

Fourth, additional measures for the protection of juveniles and the public that any two or more of the member States may find advisable to undertake cooperatively.

These provisions in the compact thus provide the member States a maximum of opportunity for the proper handling of refugee juveniles, both as to their return to their home States when this is deemed advisable, and also in the matter of helping the delinquent youngsters in many instances by providing them the most effective programs of rehabilitation.

All these benefits, however, are presently denied the District of Columbia, which thus exists as an island of isolation in which this highly effective program cannot operate. The neighboring States of Maryland and Virginia, for example, enjoy this legal structure by which they can have children returned to them who have run away to other States, and also can return to other States children who have run away and come within their borders. However, the juvenile authorities in both these States complain that they cannot exercise either of these legal prerogatives in the case of juveniles who abscond from Maryland or Virginia into the District of Columbia or vice versa. And worst of all, of course, is the plight of the District of Columbia itself, which lacks the advantages of the compact in its relationship to all the States.

As a consequence, since juvenile delinquents and runaways are not subject to the extradition process which may be applied in the case of an adult criminal, the transfer of juvenile refugees to or from the District at present can legally be accomplished only through arrangements between the welfare departments of the District of Columbia and of the other State involved. This is highly unsatisfactory for many reasons. First, there is no opportunity for a judicial proceeding to determine the status of the youth in question. Also, the cooperative process between welfare departments is lengthy and time consuming. And further, the simple fact is that most welfare departments are not equipped to supervise delinquent boys 16 to 18 years of age.

This isolated position of the District of Columbia, by reason of which it is most difficult for the District either to secure the return of its juvenile offenders who flee to other jurisdictions or to rid the city of the undesirable juveniles from other States who seek refuge here in the Nation's Capital, has made this city a veritable haven for juvenile runaways and a leader among cities in the incidence of juvenile crime. During the first 3 months of this year, for example, no less than 12 juveniles in the District were charged with homicide—and three of these offenders were less than 16 years of age. During the same brief period, 79 juveniles were charged with armed robbery. And we will never know, of course, how many such crimes were committed by the District's youth who have never been apprehended.

Mr. Speaker, I do not believe there is a city in the United States where crime is more rampant than right here in the District of Columbia, much of it by youngsters less than 18 years of age. I contend, therefore, that we in the Congress must take every possible means to curb this pestilence that pervades our Nation's Capital.

The bill H.R. 8868, which will authorize the District of Columbia for the first time to adopt the interstate compact on juveniles and thus assure a far better and more effective handling of juveniles fleeing into or out of the city, will afford the District far greater flexibility in the vital area of control of juveniles. Further, this proposed legislation will obviously benefit the entire metropolitan area as a result. There is no question in my mind that the District's entrance into this compact is long overdue.

For these reasons, Mr. Speaker, I urge the support of my colleagues in the House for this vitally important bill.

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

VACATION WORK PERMITS FOR MINORS IN THE DISTRICT OF COLUMBIA

Mr. DIGGS. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H.R. 12671) to amend the act of May 29, 1928, to facilitate and encourage the employment of minors in the District of Columbia between the ages of 14 and 16 during the summer and other school vacation periods, and for other purposes, and ask unanimous consent that the bill be considered in the House as in the Committee of the Whole.

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

There was no objection.

The Clerk read the bill, as follows:

H.R. 12671

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

SECTION 1. The first sentence of section 2 of the Act entitled "An Act to regulate the employment of minors within the District of Columbia", approved May 29, 1926 (D.C. Code, sec. 36–202), is amended by striking out "seven o'clock in the evening" and inserting in lieu thereof "ten o'clock in the evening".

SEC. 2. (a) The first sentence of section 12 of such Act of May 29, 1928 (D.C. Code, sec. 36–212), is amended by striking out "if the age" and all that follows down through and including the period at the end of such sentence and inserting in lieu thereof the following: "if the application of such minor for such permit is accompanied by (1) a

written certification of the parent, guardian, or custodian of the minor that the minor is at least fourteen years of age and is physically fit, and (2) the statement relating to his employment required by paragraph (a) of section 10 of this Act. Such minor may be required to file the certificate of physical fitness required by paragraph (c) of section 10 of this Act. A permit issued under this section to any minor who is found to be physically unqualified for the employment in which he is engaged may be canceled."

(b) Section 10 of such Act (D.C. Code, sec. 36–210) is amended by striking out "SEC. 10. The officer" and inserting in lieu thereof "SEC. 10. Except as provided in section 12 of this Act, the officer".

Mr. DIGGS. Mr. Speaker, the purpose of H.R. 12671, which was requested by the Commissioner of the District of Columbia, is to amend the present District of Columbia law with respect to the issuance of vacation work permits to minors between the ages of 14 and 16 years, in order to expedite and encourage the issuance of such permits.

PRESENT LAW

Under existing District of Columbia law—D.C. Code, sec. 36–212—a minor between the ages of 14 and 16 years who wishes to work during the regular summer vacation period of the District of Columbia public schools, or at any other times when the schools are not in session, must obtain a vacation work permit from the Department of School Attendance and Work Permits of the District of Columbia public school administration. This permit is actually not issued to the minor himself, but is furnished to his prospective employer, who is required to notify the department in writing of its receipt an dreturn the permit to the department upon the termination of the minor's employment. Hence, this vacation work permit is issued to authorize the employment of the minor in one specific job. This permit system is essential not only for the protection of the minors themselves against exploitation and unsuitable employment, but also as a protection for the employers in connection with the child labor laws and also in obtaining adequate employee insurance.

PROVISIONS OF THE BILL

H.R. 12671 will amend the present law with respect to the issuance of vacation work permits as follows:

First. The minor will not be required to be accompanied by his parent, guardian, or custodian when applying for the permit.

Second. The application for a permit must be accompanied by a written certification of the parent, guardian, or custodian of the minor that the child is at least 14 years of age and is physically fit. This written statement will replace the former requirement of a birth certificate or other evidence of the minor's age, and also the requirement of a physical examination and certificate of physical fitness signed by the school medical officer. However, the bill provides that such physical examination may be required, thus leaving this matter to the discretion of the director of the Department of School Attendance and Work Permits. And further, the bill provides that in the event that a minor is found to be physically unqualified for the work in which he is employed, the permit may be canceled.

The bill also amends the existing law by providing that such minors may be employed as late as 10 o'clock in the evening, rather than the present 7 o'clock limitation.

In the matter of extending the hour to which minors 14 and 15 years of age may work, from 7 o'clock in the evening to 10 p.m., your committee believes this to be realistic in view of the fact that many commercial establishments in the city remain open at least until this later hour, together with the consideration that in too many instances, these youngsters would spend these 3 extra hours roaming the streets rather than returning earlier to their homes. Hence, the bill provides for the same later hour which is presently permitted for minors 16 and 17 years of age.

CONCLUSIONS

For the reasons set forth above, your committee is of the opinion that the provisions of this bill, which will amend the present procedure required in connection with issuing vacation work permits to minors from 14 to 16 years of age, so that the youngster will only have to go to the Permit Section Office and submit a written statement from his parent or guardian certifying his age and physical fitness, together with the proper written statement signed by his prospective employer, will provide a great improvement in this process over the present cumbersome, time-consuming procedure with its frustrating array of redtape.

We feel that this legislation will thus serve a very important purpose, by simplifying and expediting the issuance of these permits, thus encouraging the youngsters of the District of Columbia in their efforts to spend their summer vacation periods in gainful employment.

COMMITTEE HEARINGS

A public hearing on this proposed legislation was conducted on June 10, 1969, by Subcommittee No. 2. At this time, testimony in favor of the bill was presented by spokesmen for the District of Columbia Health and Welfare Council, the Economic Development Committee of the District of Columbia Government, Pride, Inc., the Shaw Neighborhood Council for Children and Youth, the District of Columbia Department of Recreation, the Neighborhood Council No. 14, and the Office of the Commissioner of the District of Columbia.

AMENDMENT OFFERED BY MR. BROYHILL OF VIRGINIA

Mr. BROYHILL of Virginia. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BROYHILL of Virginia: Strike out section 2(a) and insert in lieu thereof the following:

"SEC. 2. (a) The first sentence of section 12 of such Act of May 29, 1928 (D.C. Code, sec. 36–212), is amended by striking out 'if the age' and all that follows down through and including the period at the end of such sentence and inserting in lieu thereof the following: 'if the application of such minor for such permit is accompanied by (1) evidence of the minor's age as provided in section 11 of this Act, (2) a written certification of the parent, guardian, or custodian of the minor that the minor is physically fit, and (3) the statement relating to his employment required by paragraph (a) of section 10 of this Act. Such minor may be required to file the certificate of physical fitness required by paragraph (c) of section 10 of this Act. A permit issued under this section to any minor who is found to be physically unqualified for the employment in which he is engaged may be cancelled.' "

Mr. BROYHILL of Virginia. Mr. Speaker, the objectionable feature of this bill, as reported, is the provision that evidence of a minor's age will no longer be required in connection with an application for a vacation work permit—issued to minors between the ages of 14 and 16 years for work during school vacation periods.

At present, all minors between the ages 14 and 18 who wish to work in the District of Columbia must obtain a work permit. One requirement for such a permit is the submission of a birth certificate or other evidence of the age of the minor as provided by present law—D.C. Code, sec. 36–211. The reason for this is to prevent the employment of children under 14 years of age, which is deemed to be in the best interests of the child himself.

In lieu of this requirement, the bill H.R. 12671 provides that the minor must present a written certification of his age, signed by his parent or guardian. The school attendance and work permit office, which issues these vacation work permits, objects strongly to this provision, on the grounds that the acceptance of the written statement as to the minor's age will largely destroy the significance of the permit, because there will be no assurance whatever that the statement has actually been signed by the parent or guardian, nor that the statement is true in any event.

It is quite obvious that this objection is well founded, and that if this bill is enacted in its present form, this matter of minimum age will be violated in a great many instances. In some instances, these vacation work permits will undoubtedly be issued and the child employed without his parents' knowledge, which is an abrogation of parental authority and responsibility. Marion Barry, head of Pride, Inc., when testifying in favor of this bill, blandly admitted that he knew many minors put to work through his organization were younger than the legal minimum of 14 years; but Pride, Inc., accepts the parents' word on this matter, so no objections are raised. This same system will undoubtedly prevail under the terms of H.R. 12671, and there will be wholesale employment of children under the age of 14 years in this city.

The proponents of this bill defend this provision on the grounds that a great many children in the District of Columbia were born eleswhere, and that in many such cases the obtaining of a birth certificate is difficult if not impossible.

This argument is specious, however, in view of the facts. The personnel in the work permit office inform me that no child is ever denied his vacation work permit, nor is the issuance of such a permit seriously delayed in any case, by reason of this difficulty. In order to avoid

such delays, the office cooperates in every way with the applicants, as follows:

First. In the case of minors who were born outside the District and who have attended a District of Columbia public school, the permit office will accept the school record as evidence of age, on a temporary basis, but do require the birth certificate as soon as it becomes available. Further, they furnish the child with the form for applying for the birth certificate by mail, from the State of birth. In this connection, every State in the Union has for many years required the registration of all births, for which reason these birth certificates are available in nearly all cases. And in the rare cases where no birth certificate is available, then the present law provides a number of alternative evidences of age which are legally acceptable.

Second. A minor who was born in the District must obtain and present his birth certificate. In the very unusual case where there exists no record of the birth, the permit section first verifies this fact, and then accepts one of the other evidences of age as prescribed in the District of Columbia Code.

In view of these procedures, there is no reason to believe that any child is deprived of the prompt issuance of a vacation work permit by reason of the present requirement of evidence of his age.

The dangers inherent in the prospect of widespread employment of minors younger than 14 years of age are as follows:

First. The concept in law that children less than 14 years of age shall not be employed is nationwide, and is based on the precept that the protection of the child himself requires such a limitation.

Second. These vacation work permits for the younger children are necessary for the protection of the employers themselves, in view of existing child labor laws and also in connection with the employer's insurance coverage on his employees. If these permits in the District of Columbia are henceforth not going to furnish legal evidence to the employer that he is not employing children younger than 14 years, then he is going to become liable in these two important respects.

Third. This provision in H.R. 12671 also creates the ridiculous anomaly of the older minors, those from 16 to 18 years of age, having to present birth certificates to obtain work permits for any time—since the vacation work permit, subject of H.R. 12671, is issued only to minors between 14 and 16 years—and the youngsters between 14 and 16 will no longer have to present such a birth certificate.

The statement of the District of Columbia Corporation Counsel that if it is found that the statement as to a minor's age as required by H.R. 12671 is false, and the minor is actually less than 14 years of age, authority exists in present statutes to revoke the vacation work permit, is no assurance at all in this situation, for quite obvious reasons. The proving that a child who is employed is in fact less than 14 years of age, although he certified to the contrary in obtaining his permit, is not going to happen in enough cases to be of any significance whatever.

The attached amendment will serve to correct this situation in the bill.

Mr. DIGGS. Mr. Speaker, I move to strike the last word.

Mr. Speaker, I am opposed to the amendment offered by the gentleman from Virginia. The whole purpose of the changes that have been proposed by the District of Columbia is the elimination of the cumbersome and frustrating array of redtape that has restricted employment of those youngsters who fall within the age category under discussion this afternoon. Surely, there may be some cases where there may be some misinformation about the age. But I think that this will be minimal. Is the gentleman suggesting that the employers of the District of Columbia, who have to be a party to obtain this permit, would enter into some kind of conspiracy with the juveniles in an effort to exploit this kind of labor market? I do not believe that.

As one who has had a great deal of experience in obtaining birth certificates from various States, I have found the process fraught with many difficulties, particularly in the Southern States from which most of these youngsters come. By the time they would go through the process of proving their age by presenting a birth certificate, half the summer would be over.

I am not one to suggest that there may not be one or two occasions where some parent would lie about an age that may be a borderline case, but I think this would be very minimal. No one suggested in the rather extensive hearings we had before the subcommittee that this would present any particular problem.

Mr. BROYHILL of Virginia. Mr. Speaker, will the gentleman yield?

Mr. DIGGS. I yield to the gentleman from Virginia.

Mr. BROYHILL of Virginia. Mr. Speaker, it is my understanding that witnesses from the school attendance and work permit office did support this particular language. I am in accord with the objectives of the bill as outlined by the gentleman from Michigan, and agree that we should encourage employment of juveniles, particularly during the summertime. This is one way of keeping them off the streets. But I submit that my amendment will not make it more difficult to obtain these work permits. There are several legal alternatives that would permit the granting of a work permit if a birth certificate were not available. This is permissible under existing law.

With this amendment, the bill would still help ease the situation regarding the granting of the work permits, in that it would waive the necessity of the physical exam and of having parents in attendance when the permit was applied for. Also, the bill would extend the hours that a youngster may be employed from 7 p.m. until 10 p.m. All those provisions remain in the bill.

If my amendment is not adopted, however, the juveniles from 16 to 18 years of age will continue to be required to present a birth certificate to obtain a work permit, while the juveniles 14 to 16 years of age will not. This obviously is a somewhat ridiculous situation.

Mr. DIGGS. Mr. Speaker, I am in support of the gentleman's suggestion to change the situation as it applies to 16- to 18-year-olds, but I am in support of taking care of the 14- to 16-year-olds now. The difficulty of obtaining birth certificates perhaps in Virginia might not be too much of a burden but in many of the Southern States from which these children come the difficulty would negate one of the basic objectives of this bill.

Mr. STEIGER of Arizona. Mr. Speaker, will the gentleman yield?

Mr. DIGGS. I yield to the gentleman from Arizona.

Mr. STEIGER of Arizona. Mr. Speaker, I join with the gentleman from Michigan in opposition to the amendment proposed by the gentleman from Virginia recognizing that the objections of the workers in the licensing permit bureau might possibly be motivated by a zeal that stems from a desire to retain bureaucratic control of the situation. I think the gentleman refers to that when he says we are faced with the judgment here as to what great harm would come with a few discrepancies under the more liberal language of the bill offered by the gentleman from Michigan.

I think we must come to the conclusion that the worst that could happen would be somebody would be employed who would not be employed under the amendment offered by the gentleman from Virginia. I cannot see that it prevents particularly the recurring of this situation.

Mr. DIGGS. Mr Speaker, I thank the gentleman from Arizona.

Mr. Speaker, I hope the amendment is voted down.

The SPEAKER pro tempore (Mr. SISK). The question is on the amendment offered by the gentleman from Virginia (Mr. BROYHILL).

The question was taken; and on a division (demanded by Mr. DIGGS) there were—ayes 22, noes 34.

So the amendment was rejected.

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

INTEREST ON CERTAIN INSTALLMENT LOANS IN THE DISTRICT OF COLUMBIA

Mr. FUQUA. Mr. Speaker, I call up the bill (H.R. 255) to authorize banks, savings and loan associations, and other regulated lenders in the District of Columbia to charge or deduct interest in advance on loans to be repaid in installments, and ask unanimous consent that the bill be considered in the House as in the Committee of the Whole.

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

There was no objection.

The Clerk read the bill, as follows:

H.R. 255

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 33

of subtitle II, "Other Commercial Transactions", of title 28, "Commercial Instruments and Transactions", of the District of Columbia Code, is amended by adding the following section:

"§ 28–3307. Charging or deduction of interest in advance

"The charging or deduction of the legal rate of interest in advance, by a bank, savings and loan association, or other regulated lender, on loans (other than loans directly secured on real estate) to be repaid in installments, shall not be deemed to be in contravention of any of the provisions of this chapter. This section shall not affect the provisions of the 'Act to provide for the regulation of finance charges for retail installment sales of motor vehicles in the District of Columbia, approved April 22, 1960' (D.C. Code, secs. 40–901 through 40–910), or of the 'Act to regulate the business of loaning money on security of any kind by persons, firms, and corporations other than national banks, licensed bankers, trust companies, savings banks, building and loan associations, and real estate brokers in the District of Columbia, approved February 4, 1913, as amended' (D.C. Code, secs. 26–601 through 26–611)."

With the following committee amendment:

Strike all after the enacting clause and insert:

"SECTION 1. Section 28–3301 of the District of Columbia Code is amended by changing 'The' to read 'Except as otherwise authorized by law, the'.

"SEC. 2. Section 28–3303 of the District of Columbia Code is amended—

"(1) by striking out paragraph (2) and inserting in lieu thereof the following:

"'(2) in writing to pay a greater rate than is authorized by law for the transaction in question,

the creditor shall forfeit the whole of the interest so contracted to be received.' and

"(2) by striking out the last sentence thereof.

"SEC. 3. (a) Chapter 33 of title 28, District of Columbia Code, is amended by adding at the end thereof the following new sections:

"'§ 28–3307. Certain loans by banks and savings and loan associations

"'(a) This section applies to any loan which is both—

"'(1) made by a bank whose deposits are insured by the Federal Deposit Insurance Corporation or by an institution whose accounts or deposits are insured by the Federal Savings and Loan Insurance Corporation, and

"'(2) repayable at weekly, monthly, or other regular intervals in substantially equal installments.

"'(b) The interest on any loan to which this section applies may not exceed the total of—

"'(1) 16 percent per year on that part of the unpaid balances of the principal which is $1,200 or less;

"'(2) 14 percent per year on that part of the unpaid balances of the principal which is more than $1,200 but does not exceed $2,500; and

"'(3) 12 percent per year on that part of the unpaid balances of the principal which is more than $2,500.

"'(c) Neither this section nor section 28–3308 limits or restricts the manner of contracting for the interest, whether by way of add-on, discount, or otherwise, so long as the rate of interest does not exceed that permitted by this section.

"'§ 28–3308. United States rule prescribed

"'The United States rule shall be used in determining whether the interest on any loan is at a rate permitted by law. The United States rule is the actuarial method of allocating payments made on a debt between principal and interest, pursuant to which any payment is applied first to the accumulated interest and the balance is applied to the unpaid principal.'

"(b) The table of sections at the beginning of chapter 33 of title 28 of the District of Columbia Code is amended by adding at the end thereof the following:

"'§ 28–3307. Certain loans by banks and savings and loan associations.

"'§ 28–3308. United States rule prescribed.'

"SEC. 4. The amendments made by this Act shall apply with respect to any loan described in section 28–3307(a) of the District of Columbia Code (added by section 3 of this Act) final repayment of which is due after July 1, 1968."

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

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

There was no objection.

AMENDMENTS OFFERED BY MR. FUQUA TO THE COMMITTEE AMENDMENT

Mr. FUQUA. Mr. Speaker, there are a couple of technical amendments I should like to have considered.

The SPEAKER pro tempore. The Clerk will report the amendment offered by the gentleman from Florida to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. FUQUA to the committee amendment: On page 4, strike lines 16 through 19 and insert:

"SEC. 4. Section 28–3307 of the District of Columbia Code (added by section 3 of this Act) applies with respect to any loan described therein final repayment of which is due after July 1, 1968."

The SPEAKER pro tempore. Does the gentleman seek to have the two amendments considered en bloc?

Mr. FUQUA. Yes, Mr. Speaker, I should like to have them considered en bloc, and I ask unanimous consent to do so.

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

Mr. HARSHA. Mr. Speaker, reserving the right to object, is the gentleman going to explain what these amendments are? We do not have copies of them. We do not know what is intended or what they propose to do.

Mr. FUQUA. The amendment just read is a technical clarification of section 4, which is already in the bill.

Mr. HARSHA. I heard the amendment read. First it would strike out lines 16 through 19.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida that the amendments be considered en bloc?

Mr. HARSHA. Mr. Speaker, reserving the right to object, is there going to be an effort to explain these amendments?

The SPEAKER pro tempore. The debate will be under the 5-minute rule, the Chair might say.

Mr. FUQUA. It affects section 4, the effective date of the bill. That is all it does. It is technical in nature.

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

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

There was no objection.

The SPEAKER pro tempore. The Clerk will report the second amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. FUQUA to the committee amendment: On page 3, line 9, strike out "any loan" and insert "any loan (other than a loan which is secured by a first lien against a dwelling and which is made to finance the acquisition of that dwelling)".

The SPEAKER pro tempore. The gentleman from Florida (Mr. FUQUA) is recognized for 5 minutes in support of his amendments.

Mr. FUQUA. Mr. Speaker, the bill H.R. 255 was introduced in this session of Congress and open and public hearings were held before Subcommittee No. 4, of which I have the honor to be the chairman, on April 29, 1969. The general notice was extended to everyone to appear before the committee to present their views. We received a statement from the gentlewoman from Missouri (Mrs. SULLIVAN) expressing her thoughts on the bill. Also I received a letter from the chairman of the Committee on Banking and Currency, the gentleman from Texas (Mr. PATMAN), relating to his feelings on the bill. They were made a part of the record. At the conclusion of the hearings I repeatedly asked if anyone else had comments to make on the bill, and no one appeared to offer either support or opposition to this measure.

Mr. Speaker, in the Committee on the District of Columbia we have considerably improved the bill in committee from what it was when it was originally introduced. At the present time we have on installment loans unsecured and generally of small amounts of less than $5,000 a charge of 8 percent interest discounted, which comes out to a little over 15 percent interest. Contrary to what has been said, this does not raise the interest rate in the District of Columbia but merely clarifies what has been going on here for some 50-odd years. There are numerous States that have similar laws. In fact, I think there are some 39 States, including my State of Florida, the State of the gentleman from Texas, and many others, that have similar laws to those we have here in the District of Columbia. There are about 50,000 or 60,000 small loans like this that are outstanding in the District of Columbia. This is the only legitimate source of credit of this kind available in the District of Columbia.

Mr. Speaker, there are those people who would prefer that people purchase items under revolving credit. This amounts to 1½ percent per month, which comes out to 18 percent a year. If they do not do that, we force them to go across State lines of the neighboring States where they can pay up to 36 percent on small loans of this type. In fact, we are here doing the people of the District of Columbia a service and not a disservice by the passage of this legislation.

I might point out that even under the Housing and Urban Development Act of 1968 the minimum finance charge on guaranteed home improvement loans up to $2,500 was set at 5.5 percent discounted per $100. So this is not an unprecedented thing even for the Committee on Banking and Currency. This discounting of notes and deducting of interest in advance has been going on since 1934 under title I of the National Housing Act. I think we have had proper hearings on the bill. Everyone who requested an opportunity to be heard was given such opportunity. I hope that the House, contrary to some of the statements made about the bill, will pass this bill.

We are not legalizing a higher interest rate than that which prevailed before. I repeatedly asked witnesses, bankers, people of the District of Columbia government, the Corporation Counsel, and the Counsel for the Comptroller of the Currency, if there was a departure from the normal accepted procedure of banking here. They all stated to the contrary, no.

Mr. Speaker, I hope that the House will support this bill, because it is in the best interests of the people of the District of Columbia who have reason to have to borrow this type of funds.

Mrs. SULLIVAN. Mr. Speaker, will the gentleman yield?

Mr. FUQUA. I am happy to yield to the gentlewoman.

Mrs. SULLIVAN. I would like to ask several questions of the chairman of the subcommittee.

Regarding this amendment you just offered on page 4, I believe, lines 16 to 19, the amendment apparently does not apply to purchase money first mortgage. Is that correct?

Mr. FUQUA. Yes. This is on page 3.

Mrs. SULLIVAN. I stand corrected. I do not have a copy. Does it apply, then, to refinancing of a first mortgage, or to second mortgages and permit the rates to go up on mortgages other than purchase money first mortgages to 16, 14, and 12 percent? Is that true?

Mr. FUQUA. No, it is not. I would assume someone who would hold a second mortgage would be able to obtain credit at a much lower rate than this would be if it were secured.

The SPEAKER pro tempore (Mr. SISK). The time of the gentleman from Florida has expired.

(By unanimous consent (at the request of Mrs. SULLIVAN) Mr. FUQUA was allowed to proceed for 5 additional minutes.)

Mr. FUQUA. I have been advised by counsel that this does only apply to first mortgages or first liens that would be on property.

Mrs. SULLIVAN. Yes, I thought so. So, on any refinancing of first mortgages, or on second mortgages, they would be permitted to charge up to 12 percent on loans over $2,500; 14 percent on loans between $1,200 and $2,500; or 16 percent on loans up to $1,200?

Mr. FUQUA. This is correct.

Mrs. SULLIVAN. Is there any bank or mortgage company today charging 12 percent or more on home mortgages?

Mr. FUQUA. Not that I am aware of. They are charging from 8 percent and 2 points, but no true rate of interest of 12 percent of which I am aware.

Mrs. SULLIVAN. If the gentleman is convinced that the 8-percent usury ceiling in the District of Columbia is too low—and it undoubtedly is out of date on many types of transactions—why is it necessary or advisable to go back and legalize transactions which may have occurred in violation of the law as it existed at that time?

Mr. FUQUA. Let me say that I would oppose the raising of usury rate because I feel as though it should remain at the present level of 8 percent as it is. But historically installment loans have been exempt from the usury statutes and in the District of Columbia this is not clear, that they are exempt by law. The law is rather silent on this particular point. Further, we have other means of credit such as revolving credit and other types that exceed the so-called usury statute. Also, I might point out that Senator Douglas in questioning the Corporation Counsel several years ago when he was looking into the truth-in-lending legislation with reference to the use of installment loans, and the question of interest rates which would be usurious, stated, and I quote as follows:

In 55 American Jurisprudence—"Usury", Section 41, the statement is made:

"The practice of taking interest in advance at the highest legal rate on short-term loans originated in the custom of banks and those dealing in commercial paper in the course of trade and, although, admittedly usurious in principle, has now become a recognized legal right, provided it is not availed of merely to disguise a usurious transaction * * *"

Mrs. SULLIVAN. Mr. Speaker, if the gentleman will yield further, is it not true that the banks in the District firmly believe that they have not been violating the usury law on their 8 percent discount installment loans?

Mr. FUQUA. It is my understanding that they have.

Mrs. SULLIVAN. If they are so convinced of this, why not give them an opportunity to prove it in court, and let anyone who feels he has been victimized sue for damages.

I can see some sense in changing a restrictive law which is out of date by why legalize all past violations?

Mr. FUQUA. We do not want to legalize all past violations.

Mr. STEIGER of Arizona. Mr. Speaker, will the gentleman yield to me at that point?

Mr. FUQUA. I shall be glad to yield to the gentleman from Arizona.

Mr. STEIGER of Arizona. I would like to join in responding to the question which has been posed by the gentlewoman from Missouri that it appears to me that in the phrasing of the gentlewoman's question she had indicated that the only concern of this legislation is to legalize the banks' action and have them do it in court. It is in response to such phraseology that I would submit to the gentlewoman that this bill serves in my mind a far more important purpose and that is it places a ceiling under which by this device which by practice has been declared legal—and as the gentlewoman points out, may or may not be legal at the present writing on which there is no ceiling at this point. There is nothing except competition if you want to prevent the banks from exceeding the 15 percent, plus, which they are now charging.

And what this bill does, the purpose of it which it seems to me has gone completely unnoticed is to place a firm ceiling by Statute. I think it is unfair to only limit it to the legalization of a situation which has been accepted in the past.

Mrs. SULLIVAN. If I may answer the gentleman, do we not have a firm legal rate now of 8 percent, and yet they have been getting, for an 8-percent discount loan, 15.75 percent. Have they not, therefore, been getting around the legal usury law?

Mr. STEIGER of Arizona. I would not quarrel with the gentlewoman as to the propriety or impropriety of the past 15 years, however, I would only point out that in the event we are not successful passing this, that if indeed the courts had declared the actions of the banks illegal and therefore there would be no more type of this activity and no more types of these loans, then we unwittingly perhaps have placed into the legal processes of the District the so-called friendly loan companies in the neighboring States. And, of course, the people who are covered by this act, which was questioned by the gentlewoman——

The SPEAKER pro tempore (Mr. SISK). The time of the gentleman has again expired.

(On request of Mr. STEIGER of Arizona, and by unanimous consent, Mr. FUQUA was allowed to proceed for 5 additional minutes.)

Mr. FUQUA. I might just point out Mr. Speaker—and I am holding here a pamphlet put out by the U.S. Department of Housing and Urban Development, about the role of FHA in home improvements, they state that the maximum financing charges, annual percentage rates, vary from 8.83 percent to 10.57 percent, depending upon the amount and the term of the loan.

Mrs. SULLIVAN. Mr. Speaker, if the gentleman will yield further for an additional question, I asked the gentleman if it is not true that the banks in the District firmly believe they have not been violating the usury law, and the gentleman said yes, that they believe that. Then, if they are so convinced, why not permit them the opportunity to prove it in court? Is it not true—and I assure the gentleman that it is true—that the truth-in-lending law expressly covers this point of State usury laws by stating that the disclosure of actual rates charged by lenders, as required under truth in lending, does not "annual, alter or affect in any manner the meaning, scope or applicability of the laws of any State, including, but not limited to, laws relating to the types, amounts of rates of charges, or any element or elements of charges, permissible under such laws in connection with the extension or use of credit, nor does this title extend the applicability of those laws to any class of persons or transactions to which they would not otherwise apply"?

That is what section 111(b) of the Truth-in-Lending Act declares. If 15.75 percent is a legal finance charge under the District's usury ceiling for an 8-percent discount loan, then nothing in the truth-in-lending law makes it illegal. We are considering a question here of practices under the District of Columbia Code over the last 61 years. The Truth-in-Lending Act does not affect that in any way. Either the 15.75-percent rate is now legal in the District or it is not. Truth in lending did not make it illegal. Is that not correct?

Mr. FUQUA. That is true; truth in lending does not make anything illegal other than telling the true rate of interest. However, I think that the reason for this is that the District Code is not very clear as to where there are installment loans, which historically have been exempt from the usury laws where these exist in the District. That is what we are trying to do, to clarify this.

This is what we are trying to do, to clarify this, and I think we have actually made a better bill. At the suggestion made by the chairman of the Committee on Banking and Currency, we eliminated add-ons and discounts and ballooning, which we have done. We have approached this at the true rate of interest—so that everybody can understand. So that if a person is being offered 16 percent, he can go to another bank where they may be offering 14 percent or 15 percent and he knows where he stands and where he can borrow money to his best advantage.

So I think we have made a real improvement in adding some of the suggestions made to the committee.

Mrs. SULLIVAN. A last question, Mr. Speaker, if the gentleman will yield?

Mr. FUQUA. Certainly, I yield to the gentlewoman.

Mrs. SULLIVAN. Is the gentleman familiar with the fact that in reporting the legislation which became the Truth in Lending Act, the Committee on Banking and Currency, in House Report 1040 of the 90th Congress, said the following:

> It (the bill's reference to state laws) makes clear that Congress does not regard the annual percentage rate as an interest rate within the meaning of the usury statutes or the judicial interpretation of the time price doctrine.

Mr. FUQUA. I was aware that this was in the Truth in Lending Act.

Mrs. SULLIVAN. I thank the gentleman.

Mr. HARSHA. Mr. Speaker, I move to strike out the last word.

This is a matter, Mr. Speaker, that has been before us for some time. When the banking interests came before the committee and originally expressed their interest in this legislation, the story at that time was that they had been engaged in this practice for approximately 50 years and because of the Truth in Lending Act, they feared that they might be subjected to a number of lawsuits if they continued their practices.

I was not entirely sold on that argument as to the need for the legislation.

Since then they have advised—at least this Member individually—they have advised that they need this legislation because of the additional costs involved in making loans of this type.

I am certainly more inclined to accept that explanation than the previous one.

However, I would like to use this time to inquire of the chairman as to whether or not he can assure me that if the legislation is adopted, we are not going to be subject to similar practices that they have been engaged in over the past 50 years—that is, that they are not going to discount now the 12 percent or the 14 percent or 16 percent—whatever it may be—and are we going to have add-ons and all this?

Mr. FUQUA. I can give the gentleman the full assurance that under this bill on whether they can discount or add on or balloon any notes—this is made clear on page 4, line 6, where it states:

> The United States rule shall be used in determining whether the interest on any loan is at a rate permitted by law.

Then it goes on further to clarify and answer the gentleman's question. This was of very much concern to the subcommittee, that we prohibit this kind of practice so that a borrower may know exactly where he stands and how much interest he is paying and that there would not be any gimmickery so to speak in the procurement of these loans.

Mr. HARSHA. Then, as I understand the gentleman, whether it be by the device of an add-on, a discount or ballooning or points or what-have-you or any device whatsoever under any circumstances, the kind of loan described by this legislation, the interest rate shall not exceed that rate that is allowed under this schedule of different loans that it applies to?

Mr. FUQUA. The gentleman is exactly correct.

Mr. HARSHA. I thank the gentleman.

Mr. PATMAN. Mr. Speaker, I move to strike out the last word.

(By unanimous consent, Mr. PATMAN was allowed to proceed for an additional 5 minutes.)

Mr. PATMAN. Mr. Speaker, I have never known such a clamor for one purpose since I have been in Congress—41 years—as the clamor of the people for lower interest rates and their vigorous protest against increasing interest rates. If we were to pass this bill, we would send them a message that we have not been successful and have not tried to lower interest rates, but we have succeeded in increasing interest rates 100 percent. That is exactly what this bill does. This bill not only applies to the average run of people, mostly poor people—it is a penalty against the poor because they are poor—but furthermore in the District of Columbia we have thousands of servicemen. They get loans from the local banks. The banks run no risks whatsoever in making loans to servicemen because the military make sure that they are paid and that they are paid promptly, and to charge them 16 percent is certainly a pretty raw deal for the servicemen. That is going on all over the country where it is permitted by State law.

But because it is permitted in some States is no reason why the U.S. Congress should sanction it, encourage it or recognize it as legal. It is not. It is usurious. We all know it is exorbitant interest. We all know that it is excessive interest.

Why should we vote to double the interest rate?

We have heard it said that we should take the proposed action because the banks have been doing it in the past. The truth is that all banks in the District of Columbia have not been doing it in the past. A number of banks have been charging 8 percent simple interest and are charging it right now. If we were to pass this bill as is, it would double the rate of interest for them and for all others, legalizing it. Of course that does not seem exactly fair.

Student loans are in trouble. The banks have been demanding more and more interest on student loans, until they have almost stopped the student loan program. If we were to pass this bill and say to all the States of the union that we in Congress have established for the District of Columbia rates of 16 percent on certain loans, including student loans, servicemen's loans, and others, that would be a kind of hard blow against the students and servicemen. It would be very discouraging. It would be awfully hard for lenders in other fields and other financial institutions to be persuaded to make student loans for less, because they are permitted to charge up to 16 percent.

Of all the times that I have known when something was very untimely, this is it. Only last week the Democratic caucus, by unanimous consent, passed a resolution to investigate high interest rates. Now we want to bypass that committee by going ahead and doing it anyway in advance. Is that what we should do?

Interest rates is a subject that is on the minds of every family in America. There are 55 million families in the United States. The more interest they have to pay, the less they have in their budget to take care of food, clothing, shelter, education, and many other things. That is the reason they are in such a difficult condition today, because of the high interest rates.

The other day, June 8, 1969, a 1-percent increase in the prime rate was announced. That is the best rate given A.T. & T., General Motors, and the Aluminum Co. of America—the very best borrowers in America—8½ percent. The rate was raised 1 percent at one time. That was a terrible blow to the economy of this Nation. It was a terrible blow to every family in the United States. That means that every family in the United States from now on will have to pay several hundred dollars a year extra for that 1 percent. They are part of that 1 percent, and that is a very heavy burden to place on them at this time, in addition to all other interest they are paying, and in addition to all the taxes they are paying. That 1 percent means several hundred dollars a year for each family from now on.

Members can take their books and pencils and arrive at that figure if they desire. The total debt in the Nation today, including the national debt and debts of our entities of Government—we

have 81,000 governments in the United States in addition to the Federal Government—and the debts they owe, including the Federal and all private debts, amount to a trillion and five hundred billion dollars. One percent of that is $15 billion a year.

It is just that simple. After seeing a $15 billion burden placed upon the people just by one stroke of a New York banker's pen, how can we now want to impose this on all the poor folks of the Nation? It is not in the public interest. It is wrong. It is usurious rates which are being recognized and granted. It is wrong from every moral standpoint in addition to other standpoints.

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

Mr. PATMAN. I yield to the gentleman from South Carolina.

Mr. McMILLAN. Mr. Speaker, as for the purpose of this bill—and certainly it is my purpose—this is to try to help the poor people in Washington who occasionally must have a loan. At the present time they have no place to secure loans if they do not get them from the banks, except to go across the line to the loan sharks in Maryland and Virginia. That is where they will all go if we do not pass this bill, for the simple reason that we cannot expect the banks to jeopardize themselves by making these small loans without any profit and without any security, if we do not let them continue to go on as they have during the past 60 years.

I have not had any complaint from anyone who has secured a loan from a bank. I hope the gentleman does not think we are increasing interest rates. We are asking the banks to be permittee to charge the same as they have charged in the last few years.

Mr. PATMAN. Mr. Speaker, I give the gentleman credit for being sincere, but after all, it is increasing the rates by 100 percent. Every person who votes for this bill votes for higher rates of interest, and every person who votes against the bill votes for lower rates of interest.

Mr. Speaker, there was filed in the District of Columbia District Court—that is, in the U.S. District Court for the District of Columbia, a Federal court, a lawsuit to collect the usurious interest and charges by reason of what some of the lenders have been doing in the city, the ones the gentleman has been talking about. This is a lawsuit. This will go to the courts, and the courts can determine whether or not it is usurious. They will have their day in court. There is no doubt about it.

(Mr. PATMAN asked and was given permission to revise and extend his remarks and include extraneous matter, including the petition on file with the court.)

Mr. PATMAN. Mr. Speaker, this is a call for law and order in the banking industry in the District of Columbia.

H.R. 255 and the report accompanying it concedes that the bankers of the District of Columbia have been violating the laws on installment loans. They have been charging, according to the committee report accompanying H.R. 255, more than the 8 percent interest allowed by the District of Columbia Code. I quote from page 5 of the committee report:

> Finally, and most important, the Committee considers the interest rates prescribed in the new section to be nothing more than a reflection of the true interest rates presently charged on small installment loans.

That means that the bankers have been charging 16, 14, and 12 percent interest on loans when the District of Columbia Code says 8 percent is the legal limit.

Mr. Speaker, this is bad enough, but H.R. 255 makes it worse by giving a retroactive excuse from the law to these law violators. If H.R. 255 is passed, as it is presently written, it will wipe out the rights of consumers in the District and the suburbs to bring lawsuits to recover the usurious interest rates that have been charged.

Just this morning a case on this issue was filed in district court. I place this document in the RECORD at the conclusion of my remarks.

Mr. Speaker, the retroactive provisions—giving the bankers a retroactive pardon for their law violations—are in section 4 of H.R. 255.

I quote:

> SEC. 4. The amendments made by this Act shall apply with respect to any loan described in section 28-3307(a) of the District of Columbia Code (added by section 3 of this Act) final repayment of which is due after July 1, 1968.

Mr. Speaker, the House should look at this language very closely. Here is the big loophole through which the bankers will escape legal action.

Mr. Speaker, note the date, July 1, 1968. The new interest rate ceiling of 16 percent will, according to this language, apply to any loan "final repayment of which is due after July 1, 1968."

Mr. Speaker, what this bill and the report do not reveal is that there is a 1-year statute of limitations on the usury laws in the District of Columbia. In other words, a consumer who has been taken by the bankers must bring suit within 1 year of the transaction. H.R. 255 effectively blocks that by inserting language which makes the effective date of this law July 1, 1968.

Mr. Speaker, the House is being asked to give its blessing to the violations of the law which have been engaged in by some of the District of Columbia bankers.

Mr. Speaker, I trust that this bill is not a forerunner of legislation to grant retroactive excuses to law violators in the District of Columbia. I hope that we do not have legislation which will provide retroactive excuses to the rapists, the muggers, the burglars, or any other law violators in the District of Columbia.

If we are going to have law and order in the District of Columbia, let us also include the bankers. Is it any different so far as the principle in the retroactive clause to give a retroactive excuse to a banker than it is to a bank robber?

Mr. Speaker, I am for law and order at all levels in the District of Columbia and I will not vote for any retroactive excuses for any individual or any groups of individuals regardless of their economic power.

Mr. Speaker, I realize that this bill—H.R. 255—affects only a handful of the Nation's 13,000 banks and only a small percentage of the total population. But, Mr. Speaker, what we do here today concerning the interest rates charged in the District of Columbia will affect every citizen in every congressional district across the land.

We cannot stand here today and endorse 16 percent bank interest in the District of Columbia and then tell our constituents that we are for low interest rates.

If H.R. 255 becomes law, installment loan rates in the District of Columbia will be the highest in this area.

The banks and the legislatures across the land will interpret our actions here today as a new mandate—a new standard on usury—on interest rates. Passage of H.R. 255—with its 166-percent interest rates—will hamstring any action this Congress might want to take later to control interest rates across the country.

Mr. Speaker, many Members of this House have spoken in strong terms against the commercial banks' latest increases in the prime interest rate. Others have spoken to me privately and expressed deep concern about the prime rate, and I have seen many of the letters that Members have written to their constituents pledging a fight for lower interest rates.

In fact, last Wednesday, the Democratic caucus of the House voted unanimously to look into the question of high interest rates. A committee is being appointed to carry out this study and to report back to the Democratic caucus in September. This study will be seriously hampered if the House goes on record for a 16-percent interest rate.

Today is an opportunity for the House of Representatives to go on record against high interest—against 16-percent rates for bank loans. It is our first opportunity since the banks raised their rates on June 9.

Mr. Speaker, it is foolish for this Congress to stand up and talk against a national prime interest rate of 8½ percent and at the same time vote for a 16-percent rate under the guise of a District of Columbia bill.

Mr. Speaker, there is much concern about the banking industry nationwide. Many questions are being asked about excessive profits stemming from high-interest rates. The Banking and Currency Committee has an investigation underway concerning the prime rate increase of June 9 and the Justice Department is conducting a full-scale investigation of possible antitrust violations by the banks in the June 9 increase. On the Senate side, there has been much talk of new legislation to control interest rates and there is much pressure on the administration to do something to hold back the bank's demand for more and more profits and higher and higher interest rates.

Mr. Speaker, I hope that no action is taken on H.R. 255 until we have more information about the District of Columbia banks and until such time as these pending investigations are completed.

Again, Mr. Speaker, a vote for H.R. 255 would be highly destructive to efforts to bring down interest rates on a na-

tional basis. A vote for H.R. 255 is a vote for higher interest rates. It should be rejected.

IN THE U.S. DISTRICT COURT FOR THE DISTRICT OF COLUMBIA

Greater Washington Chapter of Americans for Democratic Action, 1346 Connecticut Avenue, NW., Washington, D.C.; Democratic Central Committee of the District of Columbia, 1009 13th Street, NW., Washington, D.C.; David Cohen and Carla Cohen, 1646 Argonne Place, NW., Washington, D.C.; Rev. Luke Torosian and Peggy Torosian, 906 G Street, SE., Washington, D.C.; Franklin Wallick and Ruth Wallick, 7620 Morningside Drive, NW., Washington, D.C.; Susan Davis, 904 Pennsylvania Avenue, SE., Washington, D.C.; Sarah Jane Hardin, 101 North Carolina Avenue, SE., Washington, D.C.; on behalf of themselves and all others similarly situated, plaintiffs, v. District of Columbia National Bank, a banking corporation, 1812 K Street, NW., Washington, D.C.; National Savings & Trust Co., a banking corporation, 15th and New York Avenue, NW., Washington, D.C.; National Capital Bank of Washington, a banking corporation, 316 Pennsylvania Avenue, SE., Washington, D.C., on behalf of themselves and others similarly situated, defendants.

COMPLAINT FOR DECLARATORY RELIEF, INJUNCTION, AN ACCOUNTING, DAMAGES AND PENALTIES

1. Plaintiff, Greater Washington Chapter of the Americans for Democratic Action, is an association engaged in civic activities. Included within its membership are residents of the District of Columbia who have negotiated loans and borrowed money from each member of the defendant class.

Plaintiff, Democratic Central Committee of the District of Columbia is a non-profit political organization, comprised of residents of the District of Columbia. Included within its membership are residents of the District of Columbia who have negotiated loans and borrowed money from each member of the defendant class.

Plaintiffs David Cohen, Carla Cohen, Susan Davis, the Reverend Luke Torosian, Peggy Torosian, Sarah Jane Hardin, Franklin Wallick and Ruth Wallick are adult citizens of the United States and residents of the District of Columbia.

2. The named defendants are District of Columbia National Bank, National Capital Bank of Washington, and National Savings and Trust Company, banking corporations doing business in the District of Columbia.

3. Plaintiffs bring this action pursuant to Rule 23 of the Federal Rule of Civil Procedure for themselves and on behalf of a class of persons similarly situated—to wit: all persons, who like the named plaintiffs, have been extended loans at illegal and usurious rates of interest by lending institutions doing business in the District of Columbia—against the named defendants and a class including all other lending institutions doing business in the District of Columbia that have made, are making, or will make loans at a usurious rate and that are subject to regulation under the National Banking Act, 12 U.S.C. 21 et. seq. The named plaintiffs sue and the named defendants are sued as representatives of a class because (1) the class of plaintiffs and the class of defendants are so numerous that joinder of all parties is impracticable; (2) there are questions of law and fact common to the membership of each of the classes which predominate over any questions affecting only individual members; (3) the prosecution of separate actions by or against individual members of each class would create a risk of inconsistent or varying adjudications which would establish incompatible standards of conduct for the class of defendants; (4) a class action is the fairest and most efficient method of adjudicating the controversy because the amount of damage to individual members of the class makes pursuit of individual remedies economically unfeasible and because individual litigation would result in an unreasonable multiplicity of suits and a corresponding burden on the courts; and, (5) the defendants have acted on grounds generally applicable to the class of defendants, thereby making appropriate final injunctive relief and declaratory relief with respect to that class as a whole.

4. This Court has jurisdiction under Section 11–521, District of Columbia Code, 1961 Edition; Section 28 U.S.C. 1331, 1355, 2201 and 2202. The amount in controversy, exclusive of interest and costs, exceeds the sum of $10,000.

5. The following transactions are representative of those entered into by members of the plaintiff class with members of the defendant class:

(a) Plaintiffs David and Carla Cohen executed a loan with defendant District of Columbia National Bank on October 4, 1968, in the amount of seven hundred fifty dollars ($750): (1) As a condition of the granting of such loan, the plaintiffs were required to assume an obligation for the payment of eight hundred four dollars ($804); (2) The defendant actually tendered seven hundred forty-seven dollars and seventy-two cents ($747.72); (3) The plaintiffs were advised that the interest charge being imposed amounted to forty-eight dollars and twenty-four cents ($48.24), that four dollars and eighty-three cents ($4.83) represented unspecified fees and charges and that three dollars and twenty-one cents ($3.21) represented the charge for life insurance which they were required to take out for the benefit of the defendant; (4) The plaintiffs were obligated to make twelve payments of sixty-seven dollars ($67) each with the last payment due to be paid on October 20, 1969; (5) The interest rate actually imposed amounts to approximately 13.75 percent.

(b) Plaintiffs Reverend Luke Torosian and Peggy Torosian executed a loan on September 23, 1966 with defendant National Capital Bank of Washington in the amount of two thousand dollars ($2,000): (1) As a condition of the granting of such loan the plaintiffs were required to assume an obligation for the payment of two thousand one hundred ninety-four dollars and thirty cents ($2,194.30); (2) The defendant actually tendered two thousand dollars ($2,000); (3) The plaintiffs were charged twenty-one dollars and fifty cents ($21.50) for life insurance which they were required to take out for the benefit of defendant; (4) The plaintiffs were obligated to make twenty-four payments of ninety-one dollars and forty-one cents ($91.41) and the last payment was paid on March 20, 1968; (5) The interest rate actually imposed amounts to approximately 12.00 percent.

(c) Plaintiffs Reverend Luke Torosian and Peggy Torosian executed a loan on March 20, 1968 with defendant National Capital Bank of Washington in the amount of two thousand three hundred dollars ($2,300); (1) As a condition of the granting of such loan, the plaintiffs were required to assume an obligation for the payment of two thousand five hundred twenty-three dollars and eighty-eight cents ($2,523.88); (2) The defendant actually tendered two thousand three hundred dollars ($2,300.00); (4) The plaintiffs were charged twenty-four dollars and seventy-three cents ($24.73) for life insurance which they were required to take out for the benefit of defendant; (4) The Plaintiffs were obligated to make twenty-four payments of one hundred eight dollars and eighty-eight cents ($108.88); (5) The last payment was paid on May 2, 1969 and no rebate was made in consideration of early payment of the loan; (6) The interest rate actually imposed amounts to approximately 15.25 percent.

(d) Plaintiffs Reverend Luke Torosian and Peggy Torosian executed a loan on May 2, 1969 with defendant National Capital Bank of Washington in the amount of two thousand dollars ($2,000); (1) As a condition of the granting of such loan the plaintiffs were required to assume an obligation for the payment of two thousand one hundred and ninety-four dollars and eighty cents ($2,194.80); (2) The defendant actually tendered two thousand dollars ($2,000); (3) The plaintiffs were obligated to make 23 payments of ninety-two dollars ($92.00) and one payment of seventy-eight dollars and eight cents ($78.08); (4) The interest rate actually imposed amounts to approximately 9.00 percent.

(e) Plaintiffs Franklin Wallick and Ruth Wallick executed a loan with defendant National Savings and Trust Company on February 2, 1967 in the amount of five hundred fifteen dollars and fifty-two cents ($515.52): (1) As a condition of the granting of such loan, the plaintiffs were required to assume an obligation for the payment of five hundred seventy-six dollars ($576); (2) The defendant actually tendered five hundred fifteen dollars and fifty-two cents ($515.52); (3) The plaintiffs were obligated to make 18 payments of thirty-two dollars ($32) with the last payment due on September 4, 1968; (4) The loan has been discharged; (5) The interest rate actually imposed amounts to approximately 14.25 percent.

(f) Plaintiffs Susan Davis and Sarah Jane Hardin executed a loan on June 19, 1968 with defendant District of Columbia National Bank in the amount of five hundred ninety-one dollars and forty-eight cents ($591.48): (1) As a condition of the granting of such loan the plaintiffs were required to assume an obligation for the payment of six hundred thirty-six dollars ($636); (2) The defendant actually tendered five hundred ninety-one dollars and forty-eight cents ($591.48); (3) The plaintiffs were advised that they were being charged twenty-nine dollars and eighty-four cents ($29.84) in interest, three dollars and eighty-two cents ($3.82) as an investigation fee and two dollars and fifty-two cents ($2.52) for life insurance which plaintiffs were required to take out for the benefit of the defendant; (4) The plaintiffs were obligated to make twelve payments of fifty-three dollars ($53) and the last payment was paid on June 11, 1969; (5) The interest rate actually imposed amounts to approximately 13.75 percent.

(g) Plaintiff Susan Davis executed a loan on July 3, 1969 with defendant District of Columbia National Bank in the amount of six hundred dollars ($600): (1) As a condition of the granting of such loan the plaintiff was required to assume an obligation for the payment of six hundred fifty-two dollars and eight cents ($652.08); (2) The defendant actually tendered to the plaintiff six hundred dollars ($600); (3) The plaintiff was advised that she was being charged forty-five dollars and forty-six cents ($45.46) in interest and six dollars and fifty-two cents ($6.52) for life insurance which plaintiff was required to take out for the benefit of the defendant; (4) The plaintiff was obligated to make 12 payments in the amount of fifty-four dollars and thirty-four cents ($54.34) with the last payment due on July 10, 1970; (5) the interest rate actually imposed amounts to approximately 15.75 percent.

6. Named plaintiffs and numerous members of plaintiff class have been required to pay, as a condition of the extension to them of a loan by each named defendant and every member of the defendant class, one or all of the following types of charges:

(a) Interest and amounts payable under a discount or any other system of additional charges;

(b) Service, transaction, activity, or carrying charges;

(c) Loan fees, points, finder's fee, or any similar charges however denominated;

(d) Fees for an appraisal, investigation or credit report;

(e) Recordation fees and any fees or charges imposed by law on the lender;

(f) Charges or premiums for credit, life, accident, health, or loss of income insurance written in connection with the loan transaction, such charges or premiums payable either to the lender or a third party;

(g) Charges or premiums for insurance, written in connection with the loan transaction, against loss or damage to property or against liability arising out of ownership or use of property;

(h) Premiums or other charges for other guarantees or for insurance protecting the lender against loss;

(i) Other charges and obligations imposed upon the borrower as an incident of the loan.

7. In the District of Columbia, the highest permissible interest rate that may lawfully be charged in connection with loan transactions of the type specified in Paragraph 5 is eight (8) percent per annum. In defining interest all of the charges identified in Paragraph 6 must be included as part of the interest charge. Under the applicable statutes and for all other relevant purposes, the percentage of interest that has been paid or is to be paid shall be computed by use of the computational method which most accurately reflects, at any given point in the contract, the time the borrower has or had actual use of the amount or portion thereof being lent.

8. Each of the named defendants, and each member of the defendant class, did knowingly and intentionally impose on each of the named plaintiffs, and each member of the plaintiff class, a rate of interest in excess of the legal rate and did therefore commit usury. As a result defendants are required to forfeit all interest charges, to repay all interest collected and to pay as a penalty a further amount equal to the amount of interest collected.

9. The amounts for which each of the named defendants and each member of the defendant class are liable to the members of the plaintiff class are known only to said defendants, but it is believed that said liability amounts to millions of dollars.

10. Numerous members of the plaintiff class do not have the capability to determine the actual rate of interest that has been imposed by each named defendant and each member of the defendant class in connection with loan transactions; and therefore such members of the plaintiff class do not appreciate that an illegal and usurious rate of interest was imposed. Unless enjoined by order of this Court, each named defendant and each member of the defendant class will continue to collect from numerous members of the plaintiff class interest charges at an unlawful and usurious rate.

11. Plaintiffs have no remedy that is either as practical or as efficient in promoting the ends of justice as the remedy of injunctive relief because of the character of the conduct of each named defendant and each member of the defendant class and the extensive threat of continuing injury presented by that conduct, and because of the economic circumstances of numerous members of the plaintiff class, their lack of sophistication with respect to the complexities of financial transactions and the computation of interest charges and the superior expertise of each and all of the defendants, and the relatively small amounts of the claims of the individual plaintiffs which prevent them from obtaining legal redress.

Wherefore, each of the named plaintiffs and each member of the plaintiff class pray as follows:

1. That this court certify this action as a class action, and that thereafter, each member of the respective classes designated herein be given appropriate notice and accorded an opportunity to appear and be heard either as a plaintiff or defendant.

2. That this Court enter a declaratory judgment that all of the fees and charges referred to in Paragraphs 5 and 6 of this Complaint are "interest" charges within the meaning of applicable usury laws.

3. That this Court enjoin each named defendant and each member of the defendant class from the continued collection or imposition of interest charges at a rate in excess of eight (8) percent per annum, utilizing the computational method specified in Paragraph 7, after including as interest all charges referred to in Paragraphs 5 and 6 of this Complaint.

4. That this Court declare forfeiture in favor of the named plaintiffs or the plaintiff class, as appropriate, of all interest charges referred to in Paragraphs 5 and 6 of this Complaint.

5. That this Court award each of the named plaintiffs and each member of the plaintiff class, as appropriate, all interest paid and as a penalty a further amount equal to the amount of interest paid.

6. That this Court determine that but for payment of interest all contracts remain in full force and effect and fix the schedule of repayment of principal, over the full term of each such contract, by application of the computational method determined under Paragraph 7 of this Complaint.

7. That this Court order an accounting for the purpose of determining the amounts of money which each named defendant and each member of the defendant class is liable to the plaintiffs as a result of forfeiture and liability for twice the amount of the charges unlawfully received.

8. That a fund be established which shall serve as the repository for the amounts owing to the plaintiffs as a class by each named defendant and each member of the defendant class, such fund to be equitably distributed as hereafter to be provided by further order of the Court.

9. That named plaintiffs and members of plaintiff's class be awarded out of any recovery herein the expenses, costs and disbursements incident to the prosecution of this action, including reasonable counsel fees.

10. For such other and further relief as may seem just and proper.

BERLIN, ROISMAN & KESSLER,
By EDWARD BERLIN,
Counsel to Plaintiffs.
DOWDEY, LEVY & COHEN,
By LANDON G. DOWDEY,
Counsel to Plaintiffs.

Mr. Speaker, if we cancel this bill, it will cancel this debt that is now due a number of people. If we want to create more poverty, then we should pass a bill like this. This is a bill to create poverty. There is not anything that creates more poverty in the District of Columbia than the loan shark rates, the usurious rates. They are loan shark rates. They are the cause of so much poverty that is going on today.

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

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

Mr. GROSS. Mr. Speaker, I suggest to the gentleman from Texas that it would have been well for some people to have been thinking about interest rates when they were voting for so many profligate spending measures in the past.

Mr. PATMAN. That is correct.

Mr. GROSS. And voting for so many treasury deficits in the past. They have bred the crisis situation we have today. It cannot be wiped out by simply attacking interest rates.

Mr. PATMAN. Mr. Speaker, we are in a horrible state. We are going in the direction of a devastating depression. This will make it worse. This is encouraging the thing that has put us in this situation. It should be defeated and defeated by a big vote, and I hope it is.

Mr. BROYHILL of Virginia. Mr. Speaker, I move to strike the last word.

Mr. Speaker, I rise in support of the pending legislation, in spite of the interpretation as to how we may vote on this bill as given to us by the gentleman from Texas (Mr. PATMAN).

I say that what we are proposing to do here today is nothing new. As pointed out before, the banks in the District of Columbia have been doing this here in the Nation's Capital for 50 years, providing for the discount of the interest or the add-on of interest on installment loans. What we are attempting to do here today is to clear up a gray zone in regard to installment credit, which has been brought about by the Truth-in-Lending Act.

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

Mr. BROYHILL of Virginia. I yield to the gentleman from Washington.

Mr. ADAMS. Until the interest rate begins to move beyond 6 percent discounted loans would not violate the usury law, would they? That is something that has happened only very recently.

Mr. BROYHILL of Virginia. There have been conflicting court decisions over a period of years, as to whether add-on interest or discounted interest on installment loans is a violation of the usury statutes in various States. We are trying to clarify this question here at this time. insofar as the District of Columbia is concerned.

Repayment of loans by installments is a common practice throughout the United States. As pointed out by the gentleman from Florida (Mr. FUQUA), 39 States have specific statutes that deal with this particular question. That is what we are trying to do here today, so far as the District of Columbia is concerned.

The costs of administering loans of this type are higher than in the case of those payable on demand. We recognize this truth in many other areas. We recognize, for example, where installment loans for automobile purchases are concerned. We provide by statute that simple interest as high as 16 percent may be charged on installment loans for automobiles.

I am grateful to the gentleman from Texas (Mr. PATMAN) for his assistance on this legislation. I have a great deal of respect for his wisdom. But I cannot understand his concern for these unsecured installment loans being kept down to 8 percent, when the Committee on Banking and Currency has by legislation permitted interest rates as high as 11 percent on secured home improvement loans guaranteed and insured by the Federal Government.

And how about the Fannie Mae loans,

by a Federal organization buying federally insured loans, federally guaranteed FHA and VA loans, with discounts as high as 8 and 10 percent?

Now, it is said, "Oh, the mortgage payer is not paying for that." Does anyone believe the mortgage people and the builders are in business for their health? Of course, this has to be passed onto the homebuyer.

So we are not only tolerating this insofar as the Banking and Currency Committee is concerned, but we have actually authorized it. Yet, here we are told, as to an unsecured loan, an unguaranteed loan, that we have to keep the interest rates lower than on all these other types of loans.

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

Mr. BROYHILL of Virginia. I am glad to yield to the gentleman from Ohio.

Mr. HAYS. I should like to have one simple question answered. Does this bill or does it not raise the legal interest on loans?

Mr. BROYHILL of Virginia. The bill does not raise the legal limit. It clarifies what these legal limits are and have been for many years.

Mr. HAYS. What is the legal limit?

Mr. BROYHILL of Virginia. I just got through saying, and it has been stated two or three times this afternoon, that for the past 50 years loans have been made in the District of Columbia on the installment plan at actual interest rates in excess of the rate established by the usury statute.

All this legislation does is merely to clarify what the law is with respect to the adoption of the Truth-in-Lending Act.

Let me complete my statement, and then I shall be glad to yield further.

The gentleman from Arizona pointed out a moment ago, and I believe the gentleman from South Carolina did likewise, that the people who are going to be hurt if this legislation fails to pass are those of low and moderate incomes. Those are the people we are talking about, as the beneficiaries under this unsecured installment loan plan. If such a person cannot get a loan here in the District of Columbia, obviously he is going to have to go elsewhere to get it. There are provisions in the laws of the two neighboring States, which legalize installment loans at a far higher rate of interest.

Bankers in the District have advised us that they make little profit on these small installment loans, and that if they are prevented from charging as much interest as they have been doing for the past 50 or 60 years, they will be obliged to discontinue making such loans altogether. Should this be the case, the people of moderate income in the District will be forced to borrow elsewhere, as in Maryland where the small loan companies are authorized to charge 36 percent.

How about a revolving credit charge? We have no law with regard to the interest on such credit here in the District of Columbia. The merchants have gotten together and decided to charge up to 18 percent for that type of credit, but no action has been taken, or proposals made, to protect people from this practice.

The SPEAKER. The time of the gentleman has expired.

(Mr. BROYHILL of Virginia asked and was given permission to proceed for 2 additional minutes.)

Mr. BROYHILL of Virginia. It has been pointed out that if this bill is not passed, a lot of this lending business will go to the suburbs. We on the Committee on the District of Columbia are very much concerned with economic conditions within the District, and are doing all we possibly can from a legislative standpoint to improve the city's financial situation. We certainly want to avoid taking any action that would encourage any business to go from the District to the suburbs.

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

Mr. BROYHILL of Virginia. I will be glad to yield as soon as I have finished my statement.

The consumer will know what this rate of interest is. Nobody will be deceived by it. The Truth-in-Lending Act requires that it be published. This fact will cause interest rates to be as low as possible, and, in fact, we place a limit on these rates right here in this bill. But we know also what effect the rule of supply and demand can have in competition between various banks. I say, Mr. Speaker, that we will not protect anyone, least of all the low- and moderate-income people, by denying approval of this legislation.

Now I am glad to yield to the gentleman from Texas.

Mr. PATMAN. The gentleman referred to unsecured loans and said that this would permit this high rate on unsecured loans. Where is it stated in the bill? It says secured loans as well.

Mr. BROYHILL of Virginia. I was referring to secured loans such as automobile loans, where we permit an interest rate as high as 16 percent and secured loans that have been made as a result of legislation approved by the gentleman's committee. However, as I have pointed out, competition will assure lower interest rates on all secured loans than will prevail on unsecured ones. Hence, this bill will not affect secured loans.

Mr. PATMAN. But the gentleman overlooks the fact that this permits high rates on secured as well as unsecured loans.

Mrs. SULLIVAN. Mr. Speaker, will the gentleman yield?

Mr. BROYHILL of Virginia. I yield to the gentlewoman.

Mrs. SULLIVAN. I would like to ask the gentleman how many borrowers know what is meant by an 8-percent discounted loan? I am not talking about sophisticated borrowers now, but I am talking about anyone who goes in to borrow some money or buy something on the installment plan in a store.

Mr. BROYHILL of Virginia. If I may respond to the question of the gentlewoman, that is the purpose and intent of the Truth-in-Lending Act.

Mrs. SULLIVAN. That is right.

Mr. BROYHILL of Virginia. They will be told, as required by law, so that the consumer will know what the true interest rate is.

Mrs. SULLIVAN. The reason they want this law enacted now is that since July 1 under the Truth-in-Lending Act, they have to tell the truth now. When they told the borrower before that they were getting an 8-percent discounted loan, which the average person believes is 8 percent per year, the customer was really paying 16 percent and not knowing it.

Mr. BROYHILL of Virginia. I do not agree with the way the gentlewoman has stated it—that they will now have to tell the truth. They are just clarifying it.

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

Mrs. SULLIVAN. Mr. Speaker, I ask unanimous consent that the gentleman have an additional minute to answer another question.

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

Mr. HAYS. Mr. Speaker, reserving the right to object, the gentleman keeps saying that he is going to yield when he finishes his statement, but he never seems to get his statement finished. I am wondering if he is going to yield if he gets this additional minute.

Mr. BROYHILL of Virginia. I will be glad to yield if I get the additional time. I did yield to the gentleman from Ohio and the gentleman from Texas.

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

There was no objection.

Mrs. SULLIVAN. Mr. Speaker, I would like to ask the gentleman, if this law is enacted to make 12, 14, and 16 percent the legal usury rate in the District, what would prevent the lender from saying, "We will give you a 12-percent discounted loan"? Would there be any reason in the world why they could not do that, just as they are doing it with the 8-percent loan? The average borrower would not understand this rate any more than he understands the 8-percent rate now, except, under the Truth-in-Lending Act now in effect, they have to tell the truth that a 12-percent discounted loan would amount to 24 percent. Would we be allowing this to happen if we vote for this bill?

Mr. BROYHILL of Virginia. I do not agree with the gentlewoman. The language of the bill, I am assured, would not permit any increase in the interest rates prescribed, through discounting or any other means.

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

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

(Mr. HOLIFIELD (at the request of Mr. JACOBS) was granted permission to extend his remarks at this point in the RECORD.)

Mr. HOLIFIELD. Mr. Speaker, I do not ordinarily take the floor to criticize a bill which has been reported by the District of Columbia Committee, believing as I do that this committee has been charged with the responsibility to legis-

late in the public interest of the District of Columbia. In the 89th Congress I had the honor to manage the reorganization plan which created the mayor-council form of government for the District. In preparing for the successful floor consideration of that plan, I learned a good deal about the problems of the District and its people. In particular, I saw that the Congress must make extra efforts to assure fair and impartial hearings for the citizens of the District until such time as we have true home rule and effective representation for the District in the Congress.

We have before us today a bill which will have definite economic impact in the District. However, this bill is not the product of anything approaching a broadly based community consensus.

The hearings which were conducted by the committee reflect the fact that the bill solves only the problems of the bankers. I wish to commend both the distinguished gentlewoman from Missouri (Mrs. SULLIVAN) and the distinguished chairman of the House Banking and Currency Committee (Mr. PATMAN) for their efforts to illuminate the weaknesses in this legislation. It would be pertinent to quote from the testimony which Congresswoman SULLIVAN presented to the District of Columbia Committee on April 29, 1969:

After thorough study this Committee and the officials in the District may decide that present D.C. ceilings on interest rates are too low. Undoubtedly, they are lower than in surrounding jurisdictions. But once you open this up, you should be prepared to see pressures mount for vastly higher rates which would increase the cost of borrowing, and hence the cost of living, for thousands upon thousands of low-income families in the District.

I do not think you can resolve that problem without a comprehensive review of the present credit laws and intensive study by the District Government. I certainly do not think you should attempt to resolve it in a piecemeal fashion in the bill intended to give the approval of Congress to a practice which may be in violation of existing District law, and relating to only one type of loan in the District. What about "add-on" loans? Mortgage loans? One-payment loans?

Mr. Speaker, I believe that Mrs. SULLIVAN hit the nail on the head when she asked these very pertinent questions about H.R. 255. Here we have a bill which should be backed up by a comprehensive review of credit practice and policy in the District, but which is in fact piecemeal, special-interest legislation.

There has been much justifiable outcry about this bill in the public press and media. There is significant opposition to this bill in consumer, labor, and civic organizations in the District. There is apparent contradiction in the area of District of Columbia government support for this bill—contradiction which raises questions in my mind about the power of the banks at city hall. As an example of the public outcry, a local radio station, WTOP, recently editorialized against this bill. Some of the points made in the editorial are worthy of consideration:

The bill would affirm in law interest levels the banks have been using for more than 50 years in combination with a discounting procedure.

It's a very murky bill. Consumer groups claim it would legalize usurious interest rates. Rep. Patman says the bankers are getting a "bonanza of profits" and don't need help from Congress. The bankers themselves claim the interest is justified because of the costs of handling small, short-term loans.

The effect the bill would have on home mortgages, credit cards, and other transactions raises additional questions.

The editorial goes on to commend Chairman PATMAN for his courageous fight against this bill. I join Mr. PATMAN in believing that the bill carries national implications which are ominous, and which should not be treated lightly or routinely by the Congress.

Underlining the seriousness of this vote is the fact that a suit has been filed in the Federal District Court for the District of Columbia which would enjoin the banks from collecting more than the statutory 8-percent interest on unsecured loans. The suit was filed on behalf of the Democratic Central Committee of the District and other interested individuals and consumer groups. I believe that insofar as this suit raises a number of questions about past practices of the banks in regard to the usury laws of the District, it would be inappropriate for the Congress to enact a law which specifically exonerates the banks from practices which many consider illegal. Title IV of the bill before us today is nothing other than a retroactivity clause to excuse the banks from the possibility that their long-established customs have been illegal. I simply cannot imagine the Congress passing a bill which contains such dubious language in other areas of public policy.

Finally, Mr. Speaker, I would summarize briefly my reasons for opposing enactment of this bill:

First, the bill is not the result of broadly based public hearings—essential in an area which has significant impact in the huge ghetto community of the National Capital.

Second, there is significant opposition to this bill by labor and consumer groups in the District.

Third, the bill is opposed by the chairman of the Consumer Affairs Subcommittee of Banking and Currency and by the distinguished chairman of the full Committee on Banking and Currency.

Fourth, the bill should go back to committee for further public hearings and comprehensive studies of consumer credit practices in the District.

Fifth, pending adjudication of the suit filed in Federal district court, the Congress would be ill-advised to enact retroactive legislation designed to exonerate past practices of the banks.

Sixth, interest rates are already too high nationally and are having a tragic effect on small-wage earners and homebuyers—this bill has unfortunate national implications and amounts to a reward to the banks for practices of dubious legality.

Mr. Speaker, I hope that the House will vote this bill down today and send it back to committee. If the House passes it, I hope the other body will take a long, hard look at the many imperfections which exist in this kind of approach. Not many weeks ago we had a grim reminder of the kind of social pressures which exist just below the surface of this teeming metropolis. I say that this kind of bill adds to those pressures, and that bringing it to the floor here in late July is not wise. It needs more study and more work—and certainly it needs much broader support in this community than it apparently has at this time.

Mr. JACOBS. Mr. Speaker, I would first like to pay my respects and express my admiration for my subcommittee chairman, the gentleman from Florida (Mr. FUQUA), who is a fairminded man and one who I think has done his best to present this legislation and who conducted the proceedings before the subcommittee in a very fairminded way.

However, I would like to clarify, if I may, one or two points.

The argument has been made that the practice of interest discount has been going on for a period of 50 years and should be condoned and clarified as legitimate now that the Federal truth-in-lending law has taken effect and therefore the true interest is revealed to the customers by the banks in Washington, D.C.

Now, perhaps, it is true that the interest rate should be changed. Perhaps it is true that the interest rate is not high enough in the District of Columbia. But the fact that banks have been charging 16 percent for 50 years is hardly an argument for legalizing 16 percent.

Suppose the Federal Government passed a law which provided that bank robbers should henceforth and hereafter not wear masks. Would we be persuaded if a bank robber said, "We have been robbing banks in the District of Columbia for 50 years while wearing masks. We would like to change the law and clarify the situation now that we no longer wear masks."

Mr. Speaker, I do not say that the bankers have been engaged in robbery as a result of the practices which they have been following. However, I would say it does disturb me that some banker up in New York every few months comes up with the story that the country cannot be saved unless bankers make more money. Some have argued that the bankers of the District of Columbia have extended this kind of loan, not for profit, but in order to accommodate and serve as a convenience to small borrowers in the District of Columbia. How tender.

I can recall the cartoon which showed a shabbily dressed man sitting before the loan officer, and the loan officer saying to him, "No sir, our interest is not very high. And so far as you're concerned, we have none at all."

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

Mr. JACOBS. I yield to the gentleman from Ohio.

Mr. HAYS. I have been hearing a lot about clarification of this legislation but as I get this—and tell me if I am wrong—the legal rate is 8 percent?

Mr. JACOBS. That is correct.

Mr. HAYS. But, if we clarify this, it will be 16 percent?

Mr. JACOBS. We would be clarifying it up to 16 percent.

Mr. Speaker, I support a motion to recommit this bill. Why? Because the fact of the matter is that although hearings were held on this bill, hearings were not held on what is contained in this bill now as it has come from the committee carrying a schedule of 12 percent, 14 percent, and 16 percent rate of interest.

In our subcommittee executive session I told my fellow Members that the bankers themselves were not even asking for the kind of interest rate which was voted out of our subcommittee—and there are gentlemen of the subcommittee here will confirm that fact—but by the time we got to the full committee my subcommittee chairman acknowledged I was correct in the subcommittee, and he moved to change the subcommittee action.

An amendment was made to reduce the interest rate to what the bill provides now. But we just got to the place finally in the full committee where we knew what the bankers were asking for. That is where we are right now. We still do not know what the view of the consumer is on this matter. Being old fashioned, I like to hear both sides of the story. That is the reason this bill should be recommitted. Maybe it should be 16 percent, maybe it should be 8 percent, maybe it should be 11 percent, but this business of just throwing a dart at the board, flying backwards with a blindfold, and guessing, is ridiculous if we are to serve the public properly and objectively.

So, Mr. Speaker, I do not say we should vote against this bill and I do not say we should vote for this bill. I say there is nobody here who has any idea which way to vote on the matter until there are reasonable and proper hearings which hear both sides of the matter. And I know that when these hearings were public the consumer people did not come in. Why would the bankers come in and not the consumers? Because the bankers were the sponsors of this legislation and the consumer did not pick it up in the newspapers.

Mr. Speaker, do we not have a duty to invite consumer testimony rather than sitting here and wondering why such testimony did not come uninvited? Would it not be better and would it not serve the interests of the public better if we would have the consumer witnesses in and have objective testimony and lay all the cards on the table and take off the blindfolds? Then we would have a better understanding of this whole situation. Surely no harm could come from learning a few facts before we reorder people's destiny in the District of Columbia.

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

Mr. Speaker, the gentleman from Ohio (Mr. HAYS), made a very good point when he pointed out that in an attempt to clarify this legislation we perhaps have muddied the water. I would only like to say that there has been a great deal of misinformation poured forth in these halls this afternoon, not the least of which is the baldface statement that this bill raises the 8-percent usury rate to 16 percent. It does not do so.

When this bill passes, if it does, the usury rate in the District of Columbia will remain at 8 percent. There will be a ceiling of 16 percent on those loans that qualify under this section for which they now are paying approximately 16 percent.

It would be very nice if somebody could answer the question of the gentleman from Ohio with a simple yes or no, but unfortunately, as I am sure the gentleman understands, there is a qualification. The usury rate will remain the same at 8 percent. There will be a ceiling of 16 percent on those loans exempted by the bill.

Mr. JACOBS. Mr. Speaker, would the gentleman yield at that point?

Mr. STEIGER of Arizona. I would prefer not to yield to the gentleman at this moment.

Mr. Speaker, the gentlewoman from Missouri (Mrs. SULLIVAN), made a very good point when she asked how is it that the banks have been cheating—and this is not her language—and I feel the same way about this particular part of this argument. The gentlewoman indicated that the banks have circumvented the 8 percent interest rate for years by add-ons and so forth. Why then would it not be possible under this change to do the same thing at 12, 14, or 16 percent? I can only tell the gentlewoman that that specific language is in the bill, and I am referring to page 4, starting at line 1, section (c), in which it says that nothing in this section nor in the other sections referred to, and so forth, and it lists all the ways you can discount, add on, balloon, cheat, so long as the rate of interest does not exceed that permitted by this section. In other words with this bill, no matter what device they come up with, they cannot exceed 16 percent. I think this offers protection. I would beg that we recognize what we do as a very pragmatic fact that there are two specific banks in the District or there are at least two banks—there may be more, but there are two that I know of—that are either wholly owned by Negroes or predominantly owned by Negroes. One of them is the Industrial Bank of Washington and the other is the United Community National Bank. I quote from the testimony of April 29, 1969, in which Mr. Mitchell, who is the president of the Industrial Bank states:

> We have 2½ million of these loans out.

He goes on and explains it:

> Approximately 30 percent of our loan portfolio is in these loans.

This was a greater percentage of their portfolio than the banks that we heard of who were making these loans—and I sympathize with the gentleman from Texas, and I do not like to be in the position of urging high interest rates, and I sympathize with the gentlewoman when she is concerned about abuse of those who need those kinds of loans, but I submit if we cannot have these kinds of loans, there is no place for these people to go. There is no so-called friendly loan situation in the District of Columbia, because of the existing high rates. I think it is a very proper situation here. But right over the line in Maryland and Virginia they have rates of approximately 30 and 32 percent.

Within the District of Columbia there are people who operate, known as loan sharks, who charge 5 and 10 percent compounded on a weekly basis.

I would only submit that if you examine what we are doing, if we kill this legislation—and despite what the distinguished chairman of the Committee on Banking and Currency has said, that you are not voting to double the interest rates—when this bill passes, the interest rate in the District of Columbia will still be 8 percent with the exception of these specific loans which are now generating an interest in excess of 15 percent.

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

Mr. STEIGER of Arizona. I am happy to yield to the gentleman from Indiana.

Mr. JACOBS. The point I would make to the gentleman—and first of all I confirm what the gentleman has said about 16 percent being the overall limit no matter what device is used—the point I would make to the gentleman is that 8 percent indeed does apply to this kind of loan now. The generation of 16 percent is a generation which is extra-legal or at least of questionable legal status. Therefore, the interest is being raised with respect to these loans.

Mr. STEIGER of Arizona. I will stipulate that this has been a device. As the gentleman will recall, I was as outraged as the gentleman and the gentlewoman because I felt that this was a device to protect the banks.

Mr. JACOBS. I compliment the gentleman.

Mr. STEIGER of Arizona. But I am convinced that if we, in our attempt to purify the language—if we say there can be no 16 percent interest on installment loans, I would call the attention of the gentleman from Texas to the fact that there was not one single loan in a bank or savings and loan institution with these conditions as stipulated by this bill at the 8 percent figure stated.

Mr. ADAMS. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, I rise in opposition to this bill and particularly do I want to point out one section of the bill that is bad—and that is section 4 which takes away the right of the consumer who has been charged an interest rate that is too high from suing the person who has done this to him.

Now my second point is that we are dealing with the granting of loans on an equal installment basis. As pointed out by the gentleman from Indiana, the people who we are supposed to be helping cannot get a loan now. You go into a bank even if you have a job but are earning less than $5,000 a year and tell them you want to borrow $400 or $500. They do not even talk interest rates with you. They just say, "sorry, you are not going to get any money."

I want to ask the chairman of the committee, because he put in the technical amendment—and I want to be sure of its effect—the present statute, as proposed on page 5 of the committee bill, provides you can apply this rate to them—to all installment loans.

Now as I understood you, your amendment was going to change that. I want to know, does your amendment exempt, or does it exempt them from the application of this 12 percent or 14 percent or 16 percent?

Mr. FUQUA. On this application of 12 percent or 14 percent or 16 percent provision——

Mr. ADAMS. In other words, if I want to borrow money.

Mr. FUQUA. On the points or the add-on or whatever condition that they make provision for in order to make the loan.

Mr. ADAMS. If I want to borrow money on a house, first I take out a mortgage on it—in the District of Columbia where I am purchasing a home—what is the rate that they can charge me—8 percent or 12 percent or 14 percent or 16 percent?

Mr. FUQUA. As recently as last week, money on home mortgages were 7¾ percent and 3 points in the District of Columbia.

Mr. ADAMS. Yes, but you and I both know that if one applies for a loan, he may or may not receive it. I shall mention the suits that will be filed. The question is whether or not this practice is legal. I want to know what we are proposing to authorize. Will we authorize 12 percent on such loans?

Mr. FUQUA. No, it would leave that in the present limit of 8 percent.

Mr. ADAMS. On all first mortgages?

Mr. FUQUA. Yes.

Mr. ADAMS. Suppose you were going to borrow on your house on one of these propositions that would enable you to build a room on the back, or you get the roof repaired, and so on? Would that still be at the rate of 8 percent under your amendment?

Mr. FUQUA. If the gentleman had substantial enough credit, he could get money at 8 percent, or he could also come under the provisions of this act.

Mr. ADAMS. Could they charge me 12 percent?

Mr. FUQUA. They could, on a home improvement loan.

Mr. ADAMS. That is what I want to know. I thank the gentleman for his statement, which is a reply to the gentleman from Ohio. There is no limitation of 8 percent whatsoever on such loans.

Mr. FUQUA. Will the gentleman yield further?

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

Mr. FUQUA. What is the rate on an 8 percent add-on or discount at the present time, in the present practice in the District of Columbia?

Mr. ADAMS. It is 8 percent unless they discount it.

Mr. FUQUA. If there is an 8 percent discount, what is the rate of interest?

Mr. ADAMS. It will be up around 12 percent.

Mr. FUQUA. I believe it will be plus 15.

Mr. ADAMS. It depends on how many years the loan would run, the amount of the payback, and so on.

Mr. FUQUA. This is the present situation we have in the District of Columbia.

Mr. ADAMS. Yes, but what the gentleman has pointed out—and the whole purpose of the bill, as I understand it, is that if somebody starts to file lawsuits on this subject, it is going to be established that usury means usury, and that such rates are illegal. Therefore, they are charging more than the legal rate. Otherwise, there is no point in passing this bill, because if they can do what they say they can do now, it is legal and this bill is not necessary.

Mr. FUQUA. If my good friend will yield further, usury normally in most States, including the gentleman's State, has been exempt on installment unsecured loans.

Mr. ADAMS. Only because nobody has gone in and blown the whistle on that practice. That is all. The lawsuits are now about to start, because finally the people who have been charged these rates are beginning to understand what is happening and they are saying there is a difference. They are filing lawsuits and the matter of the true rate will be decided.

The SPEAKER. The time of the gentleman from Washington has expired.

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

Mr. ADAMS. That, to me, is the whole purpose and point of what we are doing. It goes back to what the gentleman from Texas said a little earlier. At some point on a national basis—and this bill is the forerunner of the national issue we are going to face—we are going to have to say to the banks, "You can make money on 8 percent or on 9 percent. We just cannot simply go on with this idea of you raising the rates all the time where there is no longer any competition among money lenders to hold rates down."

When somebody talks to me about a competitive market for money, I say, "Baloney." The big corporate borrowers who used to provide a competitive back pressure on the money lenders now are in a position where they are making large profits, and they can write off their interest expense. These companies have a 7 percent investment credit they can apply against their income taxes. They can borrow the money to build a facility and write it off on an investment credit. They can use accelerated rates of depreciation to reduce taxes. So their effective rate of interest drops down to 3 or 4 percent or less. When they go into the market and someone says it is 9 percent, what they are doing is, they are figuring out what they can deduct, and they say, "OK 9 percent but know they may actually pay 3 percent." But when the little man—and I consider that to be everyone who is not one of the giants—goes in and tries to do that sort of thing, they say, "9 percent," and he pays 9 percent, he cannot deduct much and he does not earn enough to make the deduction worthwhile. That is why we are worried about this bill.

I agree with the gentleman from Indiana. I think the chairman of the committee has done an excellent job in trying to put this thing together. But I think we have not faced the basic nut question, which is, "If it is legal, why do you need this bill? If it is illegal, what should we do?"

The SPEAKER. The time of the gentleman from Washington has expired.

(On request of Mr. PATMAN, and by unanimous consent, Mr. ADAMS was allowed to proceed for 1 additional minute.)

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

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

Mr. PATMAN. The gentleman mentioned that lawsuits would be filed. There was one big lawsuit filed today. A copy of the petition will be in the RECORD for today and available tomorrow morning. I am glad the gentleman mentioned that because the suits are started.

Mr. ADAMS. Mr. Speaker, I thank the gentleman from Texas. I said I would mention that, and I did not, but there will be today suits filed on behalf of the Greater Washington Chapter of Americans for Democratic Action, the Democratic Central Committee of the District of Columbia, challenging the legality of the present bank interest rates and seeking the recovery of interest.

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

Mr. Speaker, I rise in opposition to H.R. 255, pertaining to finance charges on certain installment loans made by financial institutions in the District of Columbia.

I am well aware of the fact that practices authorized by this bill have in fact been in use by Washington banks, savings and loan institutions, and regulated lending firms for a number of years. I am also aware that this bill seeks to clear up the question as to whether these practices of deducting or adding on interest charges violate the District's usury laws. Further, I know that 39 States have seen fit to clear up the same question by enacting similar laws.

One of the strongest arguments put forth by the banks in favor of this bill is that the interests of the District's consumers would be impaired if, without this clarifying statute, small installment loans became unavailable in the Nation's Capital. There is no question that the availability of such loans is important to both the consumers and the District's economy. But if consumer interest plays a key role in justifying this bill, I feel that the consumer groups who have expressed interest in H.R. 255, including many who have opposed it, should have a chance to be heard. I am informed that no consumers or consumer groups testified in any of the hearings held on this bill. Whatever their points of view, I feel they should be heard and considered by our committee before this bill is enacted into law.

Thus, Mr. Speaker, it is my intention at the appropriate time to offer a motion to recommit H.R. 255, so that fur-

ther open hearings can be held which can include these consumer spokesmen.

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

Mr. Speaker, I heard a defense of the banking fraternity in the District of Columbia. I happen to have a little bit of knowledge about banking myself. The traditional view of the banker is of a flinty-hearted individual with a steely glare who says no to everybody. But I want to tell Members, the typical banker, compared to the fraternity in the District of Columbia, has a heart like an overripe tomato, because the chiselers in this town really know how to take people—and I know what I am talking about.

I know a mortgage on a piece of real estate was paid off this month, which was a 5½-percent mortgage, which had run for 12 years without a payment ever being missed. One would have thought the bankers would have been delighted to get the balance paid off so they could put it out at what the gentleman says is the going rate, 7¾ percent plus three points—and they charged a point for the loan being paid off early, or 1 percent more.

Talk about a bunch of clip artists. They have them here. My bank would be so happy to get a 5½-percent loan paid off, they would probably pay the fellow a point for coming in and paying it off. We really would be delighted to get in those cheaper loans, so we would be able to loan them out at a straight 7 percent—with no points. That is the going rate in Ohio.

I am a very pragmatic fellow, and I would just love to run against anybody who votes for this bill, because all I would have to say—and nobody could dispute it—is he voted to raise the legal rate of interest from 8 percent to 16 percent, and really everybody in any constituency can understand that language.

Members can explain from now on out that they were only trying to legalize something that was already being done, but I do not think they will hit much bedrock with that kind of explanation to the average man in the street. He is not going to buy that.

He knows the difference between 8 and 16, and he is not interested in having something that is being done illegally legalized if it is going to cost him 8 percent more.

Now, please do not look like you are going to get up, Mr. Chairman of the subcommittee. Do not get up to talk about my statement. I do not want you to, because I know all about it.

I was naive enough many years ago to introduce a bill in the Ohio Senate, to cut the legal rate of interest on small loans from 3 percent a month to 2 percent a month, which is from 36 to 24 percent a year, and I found out how the friendly loan boys operate, and my opponent found out, also, how they operate. He was the recipient of a lot of their largess.

So do not quote anything about Ohio, because what it does in the small loan field I do not approve of.

I realize that in respect to the unsecured loan area one has to have a little more interest if one is going to make those kinds of loans.

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

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

Mr. FUQUA. In comparing Ohio to the District of Columbia, which is not what we are talking about, is the gentleman aware that we do not permit small loan companies in the District of Columbia? I am glad we do not.

Mr. HAYS. I am aware of it, and if I had enough political muscle we would not permit them in Ohio. I must confess I did not have it then, and I doubt if I would have it now if I were back out there because, as I told you, they know how to operate, and they do.

As I say, they have to have a medium amount more, and I am in favor of that, but not 36 percent.

If we are going to allow the banks to operate as small loan outfits, they should have more, but I do not think it should be 16 percent, because I do not really believe that if they use a reasonable amount of caution on the loans they make they will require that.

I do not bleed like my friend from Washington, about the fellow who walks in and cannot get a loan. Some people ought not to have a loan, and we are not doing them a favor by providing them a loan at any percentage.

The SPEAKER. The time of the gentleman from Ohio has expired.

(On request of Mr. FUQUA, and by unanimous consent, Mr. HAYS was allowed to proceed for 1 additional minute.)

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

Mr. HAYS. I yield to the gentleman from Florida. It is his minute.

Mr. FUQUA. I would hope that the gentleman would join with me in not trying to help the small loan companies of Maryland and Virginia. That is exactly what we will do if we fail to pass this legislation.

Mr. HAYS. I told the gentleman, I am pragmatic. It is not going to be on my record that I voted to raise the legal rate of interest from 8 to 16 percent, much as I would like to help the gentleman.

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

Mr. HAYS. I yield to the gentleman, if I have time left.

Mr. ADAMS. I agree with the gentleman. I believe that many people ought not to have loans forced on them, and they should not have them.

What is bothering me is that the bankers are beginning to raise that level of those who have a legitimate reason to borrow to a higher and higher level. There are a lot of people who are losing out because the bankers are saying, "It is easier to loan money out to A.T. & T. at 8 percent than to bother with a man who has a pretty good job for 8 percent."

Mr. HAYS. That may well be, and something should be done about it, but not in this manner.

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

Mr. Speaker, the bill which we are considering here today is not half-loaf, in my opinion; it is really a very small slice. It is, however, a small improvement over the present situation where banks can actually charge an unlimited amount of interest by discounting.

I should like to point out to the House that the legislation originally presented to the Committee or the District of Columbia provided for removing the ceiling from the present so-called 8 percent legal rate of interest and providing no ceiling at all.

Conditions are wide open now and would have been wide open with that proposal. There were some of us in the committee who were very concerned about this and as a result we amended the legislation and the resulting bill which we have here now is a slight improvement over that which was originally presented. I urged that we look at the entire problem of interest rates in all areas of commerce but unfortunately there was insufficient support for a complete review. Also the gentleman from Washington (Mr. ADAMS), and the gentleman from Indiana (Mr. JACOBS), and I cosponsored legislation last year which would have resulted in a complete review of the entire question of consumer interest in the District of Columbia as far as interest rate charges are concerned.

For example we felt that revolving and installment credit charges should be examined. I do not know whether it helps a person who is going to put a roof on his house feel better to know that he paid a "legal" 18 percent to a department store supply company for roofing supplies than if he paid a possible "illegal" 15 or 16 percent to a bank for a loan with which he would buy the same supplies.

We should have a complete review of all of these interest rate questions in the District of Columbia and strong legislation providing strict limitations and regulations.

Mr. Speaker, we have two alternatives before the House. First, we can pass this bill. For the first time we would have a certain limitation placed on the banking institutions and the total amount of interest they charge including add-ons. They would not be able to charge over a certain amount of interest. They would be prohibited from ballooning in their loan practices, and under the truth-in-lending bill the consumer for the first time would know actually what he is paying. I am not worried about how the bankers feel or how anyone else in that business feels, but I am worried about the ultimate effect of this bill on the consumer.

The other alternative is that we can kill this bill. The banks might be able to continue their present program if they win their lawsuits. They would really be home free and there would be no ceilings to the add-ons which they could levy. They could go much beyond 16 percent interest. On the other hand, if the banks, lose their suits and went out of this type of loan, we would be faced with a different situation. I believe this would have an undesirable effect on the entire metropolitan area. Many who need to borrow small amounts of money would go to neighboring jurisdictions.

Mr. Speaker, we have loan companies

in Montgomery County across the District line who are charging 36 percent interest on small loans and it is legal. I doubt if it helps the poor people who go out there and borrow money feel any better to know that they are paying a legal rate. I made a personal inspection of the area this morning, and I will give you an idea of where these loan businesses are located. On Georgia Avenue in the first block over the District line there are the following small loan companies: American Finance System, Aetna Finance Co., Seaboard Loans, Household Finance Co., GAC Finance Corp., Personal Thrift Plan Loans, Suburban Finance Co., Landmark Finance Co., and the State Loan Co. In that same block along Eastern Avenue, which parallels the District line, there are: State Loan Co., Landmark Finance Corp., Summit Loans Inc., Liberty Loans, Major Finance Loans, Calvert Credit Corp., City Finance Loans, Budget Finance Plans.

You may have noticed that on both Eastern Avenue and Georgia Avenue I reported the same two companies. The business is so good that they operate all the way through the block. They have doors open on both Eastern and Georgia Avenues. There are 15 of these small loan companies in just this one location, and many others located close to the District line along other arterials leading out of the District.

Mr. Speaker, in my opinion, if we kill this bill it would be a great opportunity for the small loan companies to expand their business with the increased trade from the District. I believe it is better to have money available with limitations and controls here in the District rather than have the unhealthy situation where they are forced into the suburbs.

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

Mr. GUDE. Yes. I yield to the gentleman.

Mr. DOWDY. I have seen the row of businesses out there, but there is a cleaner who actually cleans clothes out there, too, is there not?

Mr. GUDE. Yes. There is a cleaning establishment interspersed with these loan companies.

Mr. DOWDY. I call them all "cleaners."

Mr. GUDE. The gentleman is right.

Mr. Speaker, as I have stated I believe this is the best we can get out of the House Committee on the District of Columbia at this time as far as interest rate legislation is concerned.

We have passed bills here in the House with the feeling that we could obtain hearings and consideration in the Senate which we could not achieve in the House. Possibly that could be done in the case of this legislation because I know the chairman of the Committee on the District of Columbia in the other body is very sympathetic to consumer problems. This represents a possible means of improving the legislation and making it more comprehensive.

Therefore, Mr. Speaker, I support this legislation, but in my opinion it represents a very thin slice or crumb rather than half a loaf.

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

Mrs. SULLIVAN. Mr. Speaker, will the gentleman yield?

Mr. WRIGHT. I yield to the distinguished gentlewoman from Missouri.

Mrs. SULLIVAN. Mr. Speaker, this bill is not necessary in order to accomplish what it purports to do, but it does a lot of things it pretends not to do. It is a bad bill. It should either be recommitted to committee for further study—and public hearings on this amended version—or it should be defeated out of hand.

I am amazed that a committee of the House would bring in a bill to extend blanket amnesty to anyone who ever violated a District law which has been on the books for 50 years. Yet that is what this bill does.

Please read section 4 of the bill as amended in committee:

The amendments made by this Act shall apply with respect to any loan described in section 28–3307(a) of the District of Columbia Code (added by section 3 of this Act) final repayment of which is due after July 1, 1968.

Mr. Speaker, do you know of any other bill which goes back 1 full year or more to forgive any violation which might have occurred under existing law?

This bill does. I understand that the statute of limitations for District of Columbia protects any transaction which was completed more than a year ago. So this bill fills in the intervening 12 months, and provides amnesty for that entire period.

Now what does it provide amnesty from? This is the part which is so mysterious. It purports to permit District of Columbia banks and savings and loans to continue offering the same kind of installment loans that they have regularly been providing, and presumably at the same effective rates of interest. But who or what says they cannot continue to offer such loans without the passage of this bill?

There is no explanation in the committee report for this point. We are led to believe from the committee report that unless this bill becomes law, District of Columbia banks no longer will be able to offer what they call 8-percent discount loans, which are actually at the effective annual rate of 15.75 percent.

Nowhere in the report is there any reference made to the Federal Truth in Lending Act which took effect July 1, yet the implication has been given that the truth-in-lending law apparently, or presumably, or possibly, or ostensibly, makes the practices of the District of Columbia banks in extending 8-percent discount loans illegal under the District's 8-percent usury ceiling.

That is simply not true. And I assume that, since it is not true, the Committee on the District of Columbia has therefore carefully refrained from using this argument in its report.

All the Truth in Lending Act requires in connection with these 8-percent discount loans is that the bank reveal that the annual percentage rate of the finance charge is actually 15.75 percent, not 8 percent. In order to avoid any confusion, or to avoid possibility of nuisance suits under the various State usury laws setting maximum rates on interest, the Federal Truth in Lending Act carefully spells out the fact that the finance charge on which the annual percentage rate is based is not regarded as interest under any State usury law.

But because the truth-in-lending law requires the District of Columbia banks, and all other lenders everywhere in the country, to reveal the actual rates of their finance charges—which are far above what the people have generally thought they were paying in terms of an annual rate—the District of Columbia banks now say they fear that some consumers will file nuisance suits against them alleging that they have been violating the District of Columbia's 8-percent usury law ceiling.

In the very brief testimony before the subcommittee which considered the original H.R. 255, the witnesses from the banking industry made it clear that they did not think they have been violating the District's usury ceiling with their 8-percent discount loans, and felt they could easily prove this in court.

I think they should be given the opportunity to do so.

The committee acknowledges hastiness in its draftsmanship by saying that it does not intend the bill to legalize 16-percent or 14-percent or 12-percent interest on home mortgages, and I understand the committee will offer an amendment to its amended bill to make that point clear. But the fact that the bill came out of committee with provisions which could apply such high ceilings to mortgages makes us all wonder what else might be permitted or allowed in this bill that the committee does not know about or has not looked into.

The worst thing of all is the amnesty clause. I will move to strike that out of the bill. What right have we to forgive past violations of law, if they have occurred?

Let me say, Mr. Speaker, that although the committee report implies that no opposition was voiced to H.R. 255 when the brief hearings were conducted on it in this Congress, the RECORD should show that I objected to the bill in its original form, for reasons which I spelled out in detail, in a statement provided to each member of the subcommittee on the morning of the hearing. No mention is made of my opposition in the report. But, in conformance with the recommendations I made in my written testimony, the committee junked the original approach of H.R. 255 and came out with an amended bill which straightforwardly raises the legal rates of interest in the District on installment loans. Undoubtedly, the present 8-percent usury ceiling is too low. But what is the right figure? Should it be 16 percent, as this bill proposes, or 12 percent, as is the case in nearby Maryland? No study seems to have been made on that point. So we do not know, from the committee's work on this bill, whether 16 percent is too high, too low, or just right.

All we do know is that the committee has taken the highest rates currently charged by District banks for installment loans and said, in effect, this is a dandy rate, just right, so let us legalize it.

Mr. Speaker, this bill should be recommitted for further study—and for comprehensive study, not just a whitewash of what has been done. If the Suburban Trust Co. of nearby Maryland can advertise—as it has been doing under truth in lending—that its rates on the kind of installment loans covered in this bill is 12 percent, why do the District banks need 16 percent? Maybe they do. But why?

If we pass this bill, and it becomes law, how soon would it be before the Maryland banks go to their legislature and say that since the District banks can get 16 percent, Maryland banks should not be held to 12 percent. This bill could therefore have tremendous ramifications on all types of consumer loans—on the rates charged.

If the District committee does not want to undertake the research necessary to come forward with a comprehensive bill on consumer credit rates and charges, then it should let the Washington, D.C., City Council do it. But, in the meantime, I can assure the Members of this House that if 15.75 percent has been a legal rate in Washington for a so-called 8-percent discount loan, then the Truth in Lending Act does not make it suddenly illegal, so this bill is unnecessary from that standpoint. All truth in lending has done in that respect has been to smoke out the true rate—and that is what truth in lending is supposed to do.

This is a bad bill.

Mr. Speaker, undoubtedly the District needs new consumer credit legislation, as the gentleman from Florida said, to eliminate gimmicks and abuses. But this bill is not a comprehensive rewriting of obsolete District laws on credit. It is a narrow, special interest bill for banks and mortgage lenders.

Bring us a comprehensive bill on consumer credit, outlawing abuses of the poor, and we might argue about details but we could pass a good bill.

Mr. WRIGHT. Mr. Speaker, it would be very hard to conceive of a more flagrant case of special interest legislation than H.R. 255, which would increase the legal interest rates in the District of Columbia. Its obvious effect would be to legitimatize an unlawful practice, and to do so retroactively for the selfish benefit of those who have been illegally preying upon the poor and the unwary.

High interest is the cruelest oppressor of the poor. It is an economic tyranny from which they cannot escape. Like a leech, it attaches itself to their slender purses and sucks away the lifeblood of their meager substance. To enact this bill would be a deed of crass and unfeeling cruelty.

Moreover, it would amount to a craven surrender in our efforts to protect consumers everywhere. Throughout the land it would be interpreted as a congressional retreat from our determination to protect the needy from the greedy. Surely it would set a dangerous pattern for States to follow in raising the antiusury ceilings. It could begin another round of increases in interest rates everywhere.

High interest, more than any other one device, is slowing down the wheels of economic growth in this country. It is stifling small business, stymieing the production of low-cost homes, and siphoning away the buying power of the Nation.

High interest feeds the fires of inflation in the most cruel and unforgivable way of all. Worse even than high prices and high taxes, it gives absolutely nothing in return. And by increasing the cost of production and the cost of government, it feeds fuel to the fires of high prices and high taxes.

The bill would legalize practices which are clearly violations of the present law. More reprehensible still, it would do so retroactively. It would legitimatize the sinister greed of those who have arrogantly flouted the law and render them immune from prosecution.

Existing law in the District of Columbia defines interest rates which exceed 8 percent as illegal usury. This bill would double that ceiling. It would set a ceiling of 6 percent on installment loans up to $1,200, 14 percent on loans between $1,200 and $2,500, and 12 percent on loans of more than $2,500.

It would say in effect that we recognize the right of lending agencies to discriminate against the small borrower and to take usurious and unconscionable profits out of his hide simply because he of all borrowers is least able to escape or to defend himself.

This is not only an economic issue, although as such it clearly commands our attention. It is preeminently a moral issue. Almost 1,500 years before Christ, Moses gave the following stern commandment:

> If thy brother be waxen poor and fallen in decay with thee, then thou shalt relieve him . . . take thou no usury of him, or increase . . . thou shalt not give him thy money upon usury, nor lend him thy victuals for increase.

It would be hard to conceive a more regressive or oppressive measure than this bill. To pass it would be the trumpet of congressional retreat from enlightened decency and humanitarian concern. It deserves to be defeated by so resounding a vote that none can mistake the clear determination of the Congress to put a stop to this insidious practice of usurious interest charges which are stifling the very wellsprings of our economy and mounting their treasure from the sweat of the poor.

Mr. Speaker, I have a very high regard, personally, for the distinguished gentleman from Florida, chairman of the subcommittee, and I do not accuse him in any sense of bad faith. I am not a member of the Committee on the District of Columbia, but every Member of this House should recognize that this bill is symbolic to the Nation as a whole. There is not any citizen of the United States who ever borrows money or expects to borrow money in the future who is immune from what this bill can conceivably do to them.

Mr. HARSHA. Mr. Speaker, will the gentleman yield to me?

Mr. WRIGHT. I yield to my friend, the gentleman from Ohio.

Mr. HARSHA. Does not the gentleman feel that if we enact this legislation it will be a forerunner of a great effort throughout the United States to change interest rates?

Mr. WRIGHT. That is a very grave concern of mine. I have been here in this House of Representatives for some 15 years and time and time again I have seen increases in interest rates on various types of loans allowed on Government-insured mortgages on the ground that it was necessary to catch up with what was being practiced in the money market.

Mr. Speaker, we have been playing leapfrog. Each time we raise interest under the guise of helping poor people borrow money, what we actually do is to create a situation to allow someone else to raise interest rates somewhere else in turn under the guise or pretense of helping the small borrower. And the sum effect of it all, of course, is to work an enormous detriment upon all borrowers, both big and small. I would say to the gentleman from Ohio that this is one of my greatest concerns.

We have an opportunity here today which we rarely have in the House of Representatives, to come down on the side of higher interest rates or to come down forcefully on the side of lower interest rates. That is what faces us. It is utter folly to come before this body and say that the enactment of this bill would not change interest rates. Of course, it changes the legally allowable interest rate. Presently that rate is 8 percent in the District of Columbia. If this bill is enacted, the legally allowable interest rate will be 16 percent.

So the question is: do we want to be parties to doubling the legal interest rate in the District of Columbia, bearing in mind what effect it might have on interest rates in the rest of the country or upon usury ceilings in many States which might want to stay in step with the District of Columbia.

It seems to me, Mr. Speaker, that regardless of whether some people have been getting by with charging this kind of interest rate in the District under various subterfuges, or whether there may be people across the District line who charge higher interest than 16 percent, to legitimize and sanction the practice would be in my judgment thoroughly unconscionable. I certainly do not want to be a party to permitting this legally and making previous offenders immune from prosecution.

Mr. STEIGER of Arizona. Mr. Speaker, will the gentleman yield?

Mr. WRIGHT. Yes, I yield to the gentleman from Arizona.

Mr. STEIGER of Arizona. I appreciate the gentleman's concern about the immorality of charging 16 percent interest. However, I would assume that the gentleman would abhor the doubling of that rate to almost 32 percent; is that correct?

Mr. WRIGHT. The gentleman assumes correctly.

Mr. STEIGER of Arizona. That is exactly what he is going to have the people paying who are now paying 15 and 16 percent for their money in the District through old established practices who if this legislation is not adopted are going to be eliminated and deprived from that rate of interest. They are going to be driving out to Maryland and Virginia where they are going to pay up to 32

percent. Those people are not going to vote for the gentleman in Texas.

Mr. WRIGHT. Mr. Speaker, I do not yield further. I understand the points made by the gentleman. I want to say in response to the statement made by the gentleman that, if his heart really bleeds for the people who have to borrow money at those kinds of interest rates in Maryland and Virginia, that if he will join with me, I will certainly join with him so that together we could help to adopt a Federal usury ceiling to apply everywhere alike and to all kinds of loans. I certainly will join the gentleman in that effort if the gentleman will go along with me, and I think the majority on our side of the aisle would join in such an effort. If the gentleman is really concerned about unconscionable interest rates in Maryland and Virginia, then clearly a Federal ceiling is the solution. Most certainly a solution does not lie in suppinely surrendering to the practice by doubling allowable rates in the District of Columbia.

Mr. Speaker, I just do not think any man can stand up here and defend a doubling of the interest rate allowable in the District of Columbia on the ground that it will help the poor people, because higher interest is by all means the cruelest and most burdensome oppression of the poor.

It seems to me, Mr. Speaker, that this bill is one which forces every Member of the House to make his choice. We can come down on the side of high interest which has been stagnating the economic growth of our country, and which has slowed down the building of low-income housing, and which has been siphoning away the buying power and lessening the prosperity of our country. Or we can come down on the side of the people, and that clearly is on the side of low-interest rates.

So let us begin now. Let us start to roll back the interest rates. Let us not sit here and passively acquiesce in the continual raising of interest rates. Let us make it clear and unmistakable by our votes today that Congress is determined to bring interest rates down.

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

Mr. Speaker, for many years when I was in the State legislature I serve on the commitee on banking and our committee did a number of investigatory studies in connection with the charging of interest rates throughout our State. I do not hold with you that those gentlemen who are for this bill are for higher interest rates and those gentlemen who are opposed to the bill are the champions of low interest rates.

I think everyone knows the kind of money these people may borrow and the rates that they must pay. I think most of us know that for many years these loan companies have deducted interest rates in advance and therefore have been charging some 80 percent or 85 percent more on their interest rates than that allowed by the various States of the Union.

That today—even today—these are the same people who are borrowing money and paying exorbitant interest rates.

What this bill does seek to do, and what disturbs me about the bill is that this bill seeks to legitimatize and seeks to ask the U.S. Congress to put its stamp of approval on a higher charge that I and many others regard as illegal.

If we were to pass this kind of legislation, we are going to create a clamor for every State in the United States to adopt legislation likewise that will permit the various loan companies in the various States which are included therein to do the same for themselves. We are going to permit the loan companies from now on to say that the Congress has permitted us to charge 17 percent and 18 percent interest by doing indirectly what you cannot otherwise do directly. This is my concern about the bill.

I think the proponents of the bill do so in good faith, and they understand and will appreciate the problems in the District. I, too, know what is going on. But to ask the Congress to put its stamp of approval on the banks and loan companies—they are the same, call them what you will—is asking too much from the Congress. Because if we do, we shall open up a door which we shall hereafter find very difficult to close.

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

Mr. PODELL. I yield to the gentleman.

Mr. BARRETT. Mr. Speaker, I rise in opposition to H.R. 255, to deduct interest in advance on installment loans in the District of Columbia. This bill is intended to approve a questionalable practice here in the District which may be in violation of the District usury law.

At a time when interest rates in the Nation are at a historic high to enact a bill which would create an effective rate of 16 percent per year on unpaid balances of principal of $1,200 or less is unconscionable. I seriously doubt that any of us would want such a rate to apply to our own district or State.

This legislation would affect those who can least afford to pay exorbitant rates of interest to the moneylenders. It is a further attempt to exploit those who can least afford to be exploited.

The bill is opposed by the District of Columbia Mayor-Commissioner and many local civic and community groups. They have the best interests of the residents of the District of Columbia at heart and I think we should, too.

I urge my colleagues to vote this measure down, not only for the benefit of those living here in Washington, D.C., but also to clearly illustrate to the financial community throughout our Nation that the Congress is deeply concerned with the increase in cost of money and the detrimental effect that it has had on our economy.

AMENDMENT OFFERED BY MRS. SULLIVAN TO THE AMENDMENTS OFFERED BY MR. FUQUA TO THE COMMITTEE AMENDMENT

Mrs. SULLIVAN. Mr. Speaker, I offer an amendment to the amendment offered by the gentleman from Florida (Mr. FUQUA).

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mrs. SULLIVAN to the amendments offered by Mr. FUQUA to the committee amendment: On page 4, strike out lines 16 through 19.

Mrs. SULLIVAN. Mr. Speaker, earlier in the debate on this bill I explained why I oppose H.R. 255. The 16-percent rate of interest which this bill would establish for installment loans under $1,200, the 14-percent rate on loans from $1,200 to $2,500, and the 12-percent rate for loans over $2,500 may or may not be proper and legitimate. These rates may be too high; they may even be too low. The committee has brought in no evidence, and has held no hearings to develop evidence, to show what a proper rate should be for the District of Columbia on this kind of consumer credit. The Maryland banks apparently only charge 12 percent—at least, the Suburban Trust Co. has been advertising 12-percent consumer loans in the Washington newspapers. Perhaps the District banks need 16 percent.

The point is that instead of making an investigation of the cost of lending money—and we all know it is high—the committee has merely taken the rate the banks have been charging right along on these so-called 8-percent discount loans and asks us to say that 16 percent is just right. The committee has not only recommended legalizing this rate, which is double the present legal rate, but has proposed in section 4 of the bill that anyone who may have violated District law by charging 16 percent when the legal rate was only 8 percent should be retroactively absolved of any guilt—granted blanket amnesty. Section 4 takes this back to July 1, 1968. I believe the statute of limitations covers anything done prior to that time.

Let me say, Mr. Speaker, that by charging 16 percent on consumer loans when the District law specified the ceiling on interest charges in this jurisdiction is only 8 percent, the banks here do not feel they have violated the law.

They cite court decisions in other jurisdictions holding that interest taken in advance on installment loans, doubling the effective interest rate from that stated, is not a violation of a State's usury law. Probably they are correct.

But it is the courts which should decide that question as it applies to past practices of the District of Columbia banks, not the Congress in retroactively granting amnesty to any banker who might have violated the District's usury ceiling by charging 16 percent on a so-called 8-percent loan.

Mr. Speaker, I intend to oppose this bill whether or not section 4 is deleted, because I think H.R. 255 is hasty and ill-considered legislation on a subject of vital personal importance to every moderate-income or low-income family in the District of Columbia. This subject of consumer credit rates deserves a thorough study, and a reasoned formula for meeting the needs of the public and also assuring a fair return to lenders.

But with section 4 in the bill, we would be saying to the banks that we do not think they can defend themselves legitimately in the courts on this usury charge—that they have been violating the law for 61 years and we all know it, and so we are going to change the law retroactively to save them from prosecution. I do not feel we should grant amnesty to all violators. Let the courts decide if this practice is legal. If it has

been illegal, those who have been damaged should be allowed to seek redress.

Just bear this in mind, Mr. Speaker, and I urge my colleagues also to bear it in mind:

Under the Truth in Lending Act which took effect July 1, the finance charge of 15.75 percent on 8-percent discount installment loans in the District of Columbia, cannot be held to be "interest" under the District of Columbia usury statute. The rate that the banks disclose under truth in lending is the rate of the finance charge, not the "interest rate." We wrote the truth-in-lending law to cover this point deliberately—so that the legislatures, and the Congress in legislating for the District of Columbia, would not have to pass bills like H.R. 255.

If we pass H.R. 255, we are in effect saying to every State legislature that we did not mean what we said in the Truth in Lending Act about State usury laws. This could cause tremendous confusion among lenders in every State. This is too important a step to take in this casual fashion.

Mr. FUQUA. Mr. Speaker, I rise in opposition to the amendment offered by the gentlewoman from Missouri.

The SPEAKER. The gentleman from Florida is recognized.

Mr. FUQUA. Mr. Speaker, I shall not take the time allotted to me because I know the hour is getting late and we have other legislation to consider. But this clears up the effective date of the bill, and going back, in adopting an effective date so that those loans that are in progress now would in effect say that what has been going on could continue and clarify possible court situations.

Mention was made that several legislatures would soon meet to enact legislation similar to that now before the House. I might state that already 39 States have adopted similar legislation. Historically throughout this land installment loans have been exempt from usury statutes. It is the other type of loans that are subjected to the usury statutes. I would hope that the amendment offered by the gentlewoman would be voted down and that we could go on with the passage of the bill.

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

Mr. FUQUA. I yield to the gentleman from Minnesota.

Mr. FRASER. If I correctly understand the purpose of section 4, it is to get the banks out from under any liability they may have incurred if the court should find that they have been violating law. Is that correct?

Mr. FUQUA. For those loans that are still in effect.

Mr. FRASER. I understand the argument for this bill originally was that the truth-in-lending law suddenly threw a cloud on past practices, so this is the reason the banks want them to come in and get a higher rate of interest authorized. Am I wrong about that?

Mr. FUQUA. The proposed legislation would clarify their position. It was the feeling of the subcommittee that the way we would do it would be to spell the interest out, and there could not be any additional interest to add-ons, discounts, or other devices to increase the interest and to increase the cost to the consumer. That is the purpose of this legislation.

Mr. FRASER. But I understand the immediate problem was precipitated by the truth-in-lending law, which would require banks to state their true interest rates, and in effect it would force them to state an interest rate which on the face of it was unlawful. I could understand that problem for the banks, although I am not particularly in sympathy with what they are trying to do. But it seems to me it is going quite a step further to say that we are going back, and if the banks were wrong, and if they charged—as I think a good case could be made—usurious rates to borrowers, why are we now coming and in effect saying, "Do not worry about it. We are going to get you out from under your illegal act?" Why should we do that?

Mr. FUQUA. We are not saying it is actually legal.

Mr. FRASER. But if the courts would decide otherwise, find it illegal, we are saying we are going to take care of them.

Mr. FUQUA. We are saying those in effect now would be under the same provisions as this act.

Mr. FRASER. I just want to register my very strong objection to going backward and giving the banks a basis to get out from under a liability they may have incurred. It seems to me that is quite unreasonable.

Mr. GUDE. Mr. Speaker, I move to strike the last word.

Mr. Speaker, in regard to the remarks made by the gentlewoman from Missouri, the allowable interest rate of banks in Maryland is 12 percent. In other words, usury in Maryland starts at 12 percent, and here in the District it starts at 8 percent. One of the effects of the failure to this legislation would be to move business into Maryland.

I would like further to point out the legislative council of Maryland, an arm of the general assembly, has approved a bill which they are recommending to the general assembly which would provide that the usury rate for loans up to $500 in banks would stand at the rate of 18 percent.

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

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

Mr. ADAMS. Mr. Speaker, one of the things that is bothering me about this argument is why people are going to want to go some place else to pay more. If it is really true, as the bankers keep telling us, that the money market is competitive, that it is not fixed, and so on, then why, after a certain short period of time, if we can borrow money in the District of Columbia for 8 percent, should anybody go to Maryland and borrow at 12 percent—except maybe in some of those cases, as the gentleman from Ohio mentioned, where the person probably should not have a loan in the first place and we are doing him a disservice to charge him the extra amount and give him the money at that price.

Mr. GUDE. Mr. Speaker, I would like to point out to the gentleman, I read off a list of small loan companies, finance companies, and loan corporations, located right over the line in Maryland. For some reason unknown to him and to me, these people go there to pay up to 36 percent interest. That is exactly the situation we get and failure to pass this bill will worsen it.

Mr. ADAMS. Mr. Speaker, is it not a shame we do that to the people who can least afford it, and why should we legalize it? That is our problem with this bill today, that many of us are beginning to look nationwide at this whole problem of interest rates to see what we should do about it. Why should we do that?

Mr. GUDE. Mr. Speaker, I feel it is better to control the business in the District and set limits, rather than force people to go into another jurisdiction and pay exorbitant rates.

Mr. FARBSTEIN. Mr. Speaker, I rise in opposition to H.R. 255. I believe its passage would only add to the already spiraling increase in interest rates and would signal a significant retreat from the Truth-in-Lending Act so resoundingly passed by Congress only last year, and so long supported by myself.

Passage of this bill in effect would raise the ceiling on installment loans in the District of Columbia from 8 to 16 percent on a sliding scale by permitting banks to deduct interest in advance and to apply add-ons.

The rates proposed by this bill are usurious. The banks are making a high enough profit as is, although they would like to make an even higher one. They have not demonstrated a need for a rate increase to levels of interest which exceed those in the neighboring States for loans under $2,500.

There was a great deal of public concern and outcry when the major banks in this country recently raised their prime interest rates from 7 to 8 percent. Their rationale which is the same as that of the proponents of the legislation before us today, was that they were not making a sufficiently high profit. The doubtfulness of that rationale has led to investigations of that increase by the Department of Justice, the House Democratic caucus, and the House Committee on Banking and Currency. Approval of H.R. 255 at this time, given the rationale behind it, is thus less than opportune and could only serve as an encouragement to other areas of the country to increase their interest rate limit and thus accelerate the ever increasing rate of inflation in this country. It is the senior citizen and others who live on fixed incomes, the potential home buyer, the worker, and the consumer who in the end have to pay the price of high interest rates and inflation. We must stand up for their interest by saying "no" to this bill.

I oppose this bill also because it would undermine the Truth-in-Lending Act which became effective on July 1. A major purpose of that act was to block by revelation sleight-of-hand practices such as discounts and add-ons which mislead the borrowing public. House approval of H.R. 255 would provide an open invitation to State legislatures to devise ways to weaken truth-in-lending.

Finally, I oppose this bill because of its retroactive feature. District of Columbia bankers now fear that their practices of

using discounts and add-ons to evade the District's 8-percent usury law may be challenged under the new Truth-in-Lending Act. Making this bill retroactive to loans outstanding on July 1, 1968, would serve to legitimize these past practices. I can see no reason Congress should pass a bill to protect bankers who are guilty of breaking the law. The discount and add-on procedures are clearly deceptive.

Mr. Speaker, H.R. 255 is bad legislation and should be defeated, not only because the adverse effect it would have on residents of the District of Columbia, but because of its significance to the consumer in every part of this country.

The SPEAKER. The question is on the amendment offered by the gentlewoman from Missouri (Mrs. SULLIVAN) to the amendments offered by the gentleman from Florida (Mr. FUQUA) to the committee amendment.

The question was taken; and on a division (demanded by Mr. FUQUA) there were—ayes 65, noes 11.

So the amendment to the amendments to the committee amendment was agreed to.

The SPEAKER. The question now is on the amendments offered by the gentleman from Florida (Mr. FUQUA) as amended, to the committee amendment.

The amendments as amended, were agreed to.

The SPEAKER. The question is on the committee amendment, as amended.

The committee amendment, as amended, 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. HARSHA

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

The SPEAKER. Is the gentleman opposed to the bill?

Mr. HARSHA. I am, Mr. Speaker.

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

The Clerk read as follows:

Mr. HARSHA moves to recommit the bill H.R. 255 to the Committee on the District of Columbia.

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 ayes appeared to have it.

Mr. HAYS. 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 356, nays 19, answered "present" 2, not voting 55, as follows:

[Roll No. 125]

YEAS—356

Abernethy	Findley	May
Adair	Fish	Mayne
Adams	Fisher	Meeds
Addabbo	Flood	Melcher
Albert	Flowers	Meskill
Alexander	Foley	Michel
Anderson, Calif.	Ford, Gerald R.	Mikva
	Foreman	Miller, Calif.
Anderson, Ill.	Fountain	Miller, Ohio
Anderson, Tenn.	Fraser	Mills
	Frey	Minish
Andrews, Ala.	Friedel	Mink
Annunzio	Fulton, Pa.	Mize
Arends	Fulton, Tenn.	Mizell
Ashley	Galifianakis	Mollohan
Ayres	Gaydos	Monagan
Baring	Giaimo	Montgomery
Barrett	Gibbons	Moorhead
Beall, Md.	Gilbert	Morgan
Belcher	Goldwater	Morse
Bell, Calif.	Gonzalez	Morton
Bennett	Goodling	Mosher
Betts	Gray	Moss
Bevill	Green, Oreg.	Murphy, Ill.
Biaggi	Green, Pa.	Murphy, N.Y.
Biester	Griffin	Myers
Bingham	Griffiths	Natcher
Blackburn	Gross	Nedzi
Boggs	Grover	Nichols
Boland	Gubser	Nix
Bolling	Hall	Obey
Brademas	Hamilton	O'Hara
Brasco	Hammer-schmidt	O'Konski
Bray		Olsen
Brooks	Hanley	O'Neill, Mass.
Brotzman	Hanna	Ottinger
Brown, Calif.	Hansen, Idaho	Passman
Brown, Ohio	Hansen, Wash.	Patman
Broyhill, N.C.	Harsha	Pelly
Buchanan	Harvey	Pepper
Burke, Fla.	Hathaway	Perkins
Burke, Mass.	Hays	Philbin
Burleson, Tex.	Hébert	Pickle
Burlison, Mo.	Hechler, W. Va.	Pike
Burton, Calif.	Heckler, Mass.	Poage
Bush	Helstoski	Podell
Button	Henderson	Poff
Byrne, Pa.	Hicks	Pollock
Byrnes, Wis.	Hogan	Preyer, N.C.
Caffery	Horton	Price, Ill.
Cahill	Hull	Price, Tex.
Camp	Hungate	Pryor, Ark.
Carter	Hunt	Pucinski
Casey	Hutchinson	Purcell
Cederberg	Ichord	Quie
Chamberlain	Jacobs	Quillen
Chappell	Jarman	Railsback
Clancy	Joelson	Randall
Clark	Johnson, Calif.	Rarick
Clawson, Del	Jonas	Rees
Clay	Jones, Ala.	Reid, Ill.
Cohelan	Jones, N.C.	Reid, N.Y.
Collier	Jones, Tenn.	Reifel
Collins	Karth	Reuss
Conable	Kastenmeier	Rhodes
Conte	Kazen	Riegle
Corbett	Kee	Rivers
Corman	Keith	Roberts
Coughlin	King	Robison
Cowger	Kleppe	Rodino
Cramer	Kluczynski	Rogers, Colo.
Culver	Koch	Rogers, Fla.
Cunningham	Kuykendall	Ronan
Daddario	Kyl	Rooney, N.Y.
Daniel, Va.	Kyros	Rooney, Pa.
Daniels, N.J.	Landrum	Rosenthal
de la Garza	Langen	Rostenkowski
Delaney	Latta	Roth
Dellenback	Leggett	Roudebush
Denney	Lennon	Roybal
Dennis	Long, Md.	Ruth
Dent	Lowenstein	Ryan
Derwinski	Lukens	Satterfield
Devine	McCarthy	Saylor
Diggs	McClory	Schadeberg
Dingell	McCloskey	Scherle
Donohue	McClure	Scheuer
Dowdy	McCulloch	Schneebeli
Downing	McDade	Schwengel
Dulski	McDonald, Mich.	Scott
Duncan		Sebelius
Dwyer	McEwen	Shipley
Eckhardt	McFall	Shriver
Edmondson	McKneally	Sikes
Edwards, Ala.	Macdonald, Mass.	Sisk
Edwards, Calif.		Skubitz
Edwards, La.	Madden	Slack
Eilberg	Mahon	Smith, Calif.
Erlenborn	Mailliard	Smith, Iowa
Fallon	Mann	Smith, N.Y.
Farbstein	Marsh	Snyder
Fascell	Martin	Springer
Feighan	Matsunaga	Stafford
Staggers	Udall	Wiggins
Stanton	Ullman	Williams
Steed	Utt	Wilson, Bob
Steiger, Wis.	Van Deerlin	Winn
Stokes	Vander Jagt	Wold
Stubblefield	Vanik	Wolff
Sullivan	Vigorito	Wright
Symington	Waggonner	Wyatt
Taft	Waldie	Wydler
Talcott	Wampler	Wylie
Taylor	Watson	Wyman
Teague, Calif.	Watts	Yatron
Teague, Tex.	Weicker	Young
Thompson, Ga.	Whalen	Zablocki
Thompson, N.J.	White	Zion
Thomson, Wis.	Whitehurst	Zwach
Tiernan	Whitten	
Tunney	Widnall	

NAYS—19

Aspinall	Esch	Haley
Blanton	Flynt	McMillan
Brinkley	Frelinghuysen	O'Neal, Ga.
Broyhill, Va.	Fuqua	Steiger, Ariz.
Cabell	Gettys	Stephens
Davis, Wis.	Gude	
Dorn	Hagan	

ANSWERED "PRESENT"—2

Cleveland	Evans, Colo.

NOT VOTING—55

Abbitt	Dickinson	MacGregor
Andrews, N. Dak.	Eshleman	Mathias
	Evins, Tenn.	Minshall
Ashbrook	Ford, William D.	Nelsen
Berry		Patten
Blatnik	Gallagher	Pettis
Bow	Garmatz	Pirnie
Brock	Halpern	Powell
Broomfield	Hastings	Ruppe
Brown, Mich.	Hawkins	St Germain
Burton, Utah	Holifield	St. Onge
Carey	Hosmer	Sandman
Celler	Howard	Stratton
Chisholm	Johnson, Pa.	Stuckey
Clausen, Don H.	Kirwan	Watkins
	Landgrebe	Whalley
Colmer	Lipscomb	Wilson, Charles H.
Conyers	Lloyd	
Davis, Ga.	Long, La.	Yates
Dawson	Lujan	

So the motion to recommit was agreed to.

The Clerk announced the following pairs:

Mr. Holifield with Mr. Bow.
Mr. Celler with Mr. Lipscomb.
Mr. Long of Louisiana with Mr. Watkins.
Mr. Kirwan with Mr. Hosmer.
Mr. Evins of Tennessee with Mr. Andrews of North Dakota.
Mr. Garmatz with Mr. Johnson of Pennsylvania.
Mr. St. Onge with Mr. Ashbrook.
Mr. Charles H. Wilson with Dr. Don H. Clausen.
Mr. Yates with Mr. Brock.
Mr. Abbitt with Mr. Berry.
Mr. Carey with Mr. Minshall.
Mr. Colmer with Mr. Burton of Utah.
Mr. Howard with Mr. Eshleman.
Mr. Patten with Mr. Broomfield.
Mr. St Germain with Mr. Hastings.
Mr. Gallagher with Mr. Brown of Michigan.
Mr. Hawkins with Mr. Halpern.
Mr. William D. Ford with Mr. Powell.
Mr. Davis of Georgia with Mr. Landgrebe.
Mr. Blatnik with Mr. Lloyd.
Mr. Dawson with Mr. Conyers.
Mr. Stuckey with Mr. Dickinson.
Mr. MacGregor with Mr. Lujan.
Mr. Mathias with Mr. Nelsen.
Mr. Sandman with Mr. Pettis.
Mr. Ruppe with Mr. Pirnie.
Mr. Stratton with Mr. Whalley.

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

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. FUQUA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill (H.R. 255) just passed.

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

There was no objection.

HEALTH AND SAFETY IN BUILDING TRADES AND CONSTRUCTION INDUSTRY

Mr. DANIELS of New Jersey. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 10946), to promote health and safety in the building trades and construction industry in all Federal and federally financed or federally assisted construction projects, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, line 1, strike out "contractor" and insert "mechanic."

Page 2, lines 6 and 7, strike out "the record after an opportunity for an agency hearing." and insert "proceedings pursuant to section 553 of title 5, United States Code, provided that such proceedings include a hearing of the nature authorized by said section."

Page 2, line 18, strike out "(41 U.S.C. 39)." and insert "(41 U.S.C. 38, 39)."

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

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

NATIONAL ADULT-YOUTH COMMUNICATIONS WEEK

Mr. ROGERS of Colorado. Mr. Speaker, I ask unanimous consent for the immediate consideration of the joint resolution (H.J. Res. 614) authorizing the President to proclaim the week of September 28, 1969, through October 4, 1969, as "National Adult-Youth Communications Week."

The Clerk read the title of the joint resolution.

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

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 614

Resolved by the Senate and House of Rpresentatives of the United States of America in Congress assembled, That the President is hereby authorized and requested to issue a proclamation designating the week of September 28, 1969, through October 4, 1969, as "National Adult-Youth Communications Week" and calling upon—

(1) the Nation's television networks to organize and hold a series of three programs of discussion between selected generation groups, the first two programs to present the views of each generation toward its participation in the world today and the last program to present ideas on how the generations can cooperate to understand each other's needs and usefulness;

(2) the secondary schools and colleges to hold similar discussions at the local level; and

(3) businesses to encourage family participation by setting special family rates during "National Adult-Youth Communications Week" for theaters, amusements, sporting events, and other activities.

Mr. ROGERS of Colorado (during the reading). Mr. Speaker, I ask unanimous consent to dispense with further reading of the joint resolution and that it be printed in the RECORD.

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

There was no objection.

AMENDMENT OFFERED BY MR. ROGERS OF COLORADO

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

The Clerk read as follows:

Amendment offered by Mr. ROGERS of Colorado: On pages 1 and 2, strike out everything beginning after the word "upon" on line 6, page 1, and insert in lieu thereof the following: "the people of the United States to observe such week with appropriate ceremonies and activities designed to encourage the communication of ideas and cooperation between persons of different generations."

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

Mr. Speaker, I rise simply to ask the gentleman from Colorado a question. The amendment is the total resolution?

Mr. ROGERS of Colorado. That is correct.

Mr. GROSS. And neither this resolution nor the one to follow requires the expenditure of any money nor contemplates the expenditure of any money from the Federal Treasury?

Mr. ROGERS of Colorado. The gentleman is absolutely correct.

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

(Mr. LONG of Maryland asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. LONG of Maryland. Mr. Speaker, the students in social studies class of section 9–B of the Ridgely Junior High School in Timonium, Md., in my district suggested that I sponsor legislation to proclaim a National Adult-Youth Communications Week.

On March 31, I introduced House Joint Resolution 614, which provides that the President proclaim the week of September 28, through October 4, 1969, as National Adult-Youth Communication Week. The resolution calls upon schools and colleges to organize discussions between different generation groups, television networks to broadcast similar dialogs; and theaters, sporting events, and other public activities to encourage family participation by setting special rates.

We should never underestimate the power of youth. Not only did young people get me to introduce this legislation, they have written to Members of the House of Representatives from all over the country, urging them to support this legislation. In addition, they have encouraged their fellow students, friends, and parents to join in support of this legislation.

This legislation has two purposes. First it will demonstrate to young people in all parts of the United States that meaningful change can be brought about through the democratic legislative process rather than using force and violence, or by taking over administration buildings. Second, this legislation will help to improve communications between those over 25 and those under 25.

The SPEAKER. The question is on the amendment offered by the gentleman from Colorado (Mr. ROGERS).

The amendment was agreed to.

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

A motion to reconsider was laid on the table.

NATIONAL ARCHERY WEEK

Mr. ROGERS of Colorado. Mr. Speaker, I ask unanimous consent for the immediate consideration of the Senate joint resolution (S.J. Res. 85) to provide for the designation of the period from August 26, 1969, through September 1, 1969, as "National Archery Week."

The Clerk read the title of the Senate joint resolution.

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

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 85

Whereas in recent years archery as a competitive sport and recreation activity has grown in popularity and recognition; and

Whereas the increased stature of archery is evident in the fact that in 1972 this sport will become a gold medal event at the summer Olympic games; and

Whereas the extent of the widespread interest in archery is indicated by its establishment as a major intercollegiate sport throughout the United States; and

Whereas the National Field Archery Association, with some forty thousand members and more than two thousand affiliated clubs in each of the fifty States, has become the leader in promoting the advancement of competitive archery in this country; and

Whereas this organization is engaged in many outstanding civic projects, such as wildlife conservation activities and a youth scholarship program; and

Whereas this association is sponsoring a National Archery Week program of ceremonies and activities during the last week of August in this year; and

Whereas the year 1969 marks the thirtieth anniversary of the founding of the National Field Archery Association; and

Whereas the world archery championship events will be held in the United States during the summer of 1969; and

Whereas, in view of these facts, it is fitting and proper that the Congress should give official recognition in this year to the development of archery as a major sport and to the national interest in the program to be conducted by the National Field Archery Association: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is authorized and requested to issue a proclamation designating the seven-day period beginning August 26, 1969, and ending September 1, 1969, as "National Archery

Week", and inviting the Governors and mayors of State and local governments of the United States to issue similar proclamations.

AMENDMENT OFFERED BY MR. ROGERS OF COLORADO

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

The Clerk read as follows:

Amendment offered by Mr. ROGERS of Colorado: On pages 1 and 2 strike out all "whereas" clauses.

The amendment was agreed to.

The Senate joint resolution 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.

NATIONAL CLOWN WEEK

Mr. ROGERS of Colorado. Mr. Speaker, I ask unanimous consent for the immediate consideration of the joint resolution (H.J. Res. 236) authorizing and requesting the President of the United States to issue a proclamation designating the week of August 1 through August 7 as "National Clown Week."

The Clerk read the title of the joint resolution.

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

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 236

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President of the United States is authorized and requested to issue a proclamation (1) designating the week of August 1 through August 7 as "National Clown Week", (2) inviting the Governors of the States and territories of the United States to issue proclamations for like purposes, and (3) urging the people of the United States to give heed to the contributions made by clowns in their entertainment at children's hospitals, charitable institutions, institutions for the mentally retarded, and generally helping to lift the spirits and boost the morale of our people, at a time when it is especially desirable and necessary.

Mr. GARMATZ. Mr. Speaker, my bill to designate August 1 to 7 as National Clown Week has brought forth some snide remarks from radio, TV, and newspaper reporters who thought its introduction a joke. Anything that will bring happiness to people is welcomed by the clowns of America, at whose request I introduced the bill.

The idea of a National Clown Week was originated some 19 years ago and the date was selected as the time most clowns could entertain at various charities and hospitals for a summer break. A number of cities and States have designated August 1 to 7 as Clown Week and have done so for several years.

The purpose of the bill is to call attention to some of the activities of the clowns such as entertainment of children in hospitals, mental institutions, and deaf schools; clown contests at picnics, baseball and softball games held for the benefit of local recreational councils; use of a showmobile in ghetto neighborhoods, using name entertainment along with the clowns, to ease tensions and entertain children who lack entertainment. The week would promote clowning as the art it is—good clean entertainment.

As one of the oldest professions in the world, having roots deep in history, I think it deserves recognition and therefore urge passage of House Joint Resolution 236.

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

GENERAL LEAVE

Mr. ROGERS of Colorado. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the three joint resolutions just passed.

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

There was no objection.

TEMPORARILY CONTINUING INTEREST EQUALIZATION TAX

Mr. MILLS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 13079) to continue for a temporary period the existing interest equalization tax, which was unanimously reported to the House by the Committee on Ways and Means.

The Clerk read the title of the bill.

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

Mr. BYRNES of Wisconsin. Mr. Speaker, reserving the right to object, I do not intend to object, but I reserve the right in order that I may yield to the gentleman from Arkansas, the chairman of the Commitee on Ways and Means, for an explanation.

I yield to the gentleman.

Mr. MILLS. Mr. Speaker, I thank the gentleman from Wisconsin for yielding.

Mr. Speaker, the bill before the House, H.R. 13079, would temporarily extend the interest equalization tax for a period of 1 month, through August 31, 1969. The tax otherwise expires on Thursday of this week, July 31.

Mr. Speaker, it will be recalled that the interest equalization tax is a part of our balance-of-payments program and is designed to reduce the outflow of dollars from the United States by raising the cost to foreigners of obtaining capital in U.S. markets. The tax imposed on U.S. persons acquiring foreign stocks or debt obligations, and it presently provides the equivalent of a three-quarters percentage point per annum increase in interest costs for foreigners obtaining capital from U.S. sources on the sale of foreign stock or debt obligations. At the present time, the tax rate on stock and debt obligations with maturities of 28½ years or more is 11¼ percent. A sliding scale of lesser rates is provided for debt obligations with maturities of less than 28½ years.

The Committee on Ways and Means believes that it is necessary to extend the interest equalization tax in view of the continued deficit in our balance of payments and the increased amount of borrowing in the United States by foreigners that would occur if the tax were allowed to expire. The Committee on Ways and Means, therefore, has already reported to the House H.R. 12829, which would extend the interest equalization tax for 20 months or until March 31, 1971. It is apparent, however, that it will not be possible for Congress to complete its consideration of that bill prior to next Thursday, when under present law, the tax is scheduled to expire.

Mr. Speaker, if the tax were allowed to expire on Thursday and then at a later date continued, as the committee believes it should be continued, this would create confusion in the securities markets and significant administrative and enforcement difficulties. If the tax were allowed to expire, there is serious doubt as to whether the exemption from the tax for prior American ownership could be adequately administered during the period of expiration and before congressional action on H.R. 12829 could be completed. To the extent that present procedures could not be followed because of any temporary expiration of the tax, the functioning of the present system and the enforcement of the tax would be seriously impaired.

In order to avoid the administrative and enforcement difficulties and the problems in the securities markets which would arise if the interest equalization tax is allowed to expire and then is subsequently continued, the committee recommends enactment of the measure before the House, H.R. 13079, to temporarily extend the tax for a period of 1 month so as to allow the Congress time to complete its consideration of H.R. 12829. Accordingly, Mr. Speaker, the pending bill temporarily extends the interest equalization tax through August 31, 1969. The committee is convinced that this 1-month extension is necessary in order that the tax may continue to operate in an orderly manner and that the risk of evasion of the tax may be minimized while Congress completes its consideration of the administration's request for a 20-month extension of the tax, which is embodied in H.R. 12829, the bill which has been reported by the committee and is now on the Union Calendar.

All of us, I think, are acquainted with what this interest equalization tax program does. If there are any specific questions with regard to it, I will be glad to respond, but it is merely a 30-day extension to enable us to legislate on the larger bill.

Mr. BYRNES of Wisconsin. Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

The Clerk read the bill, as follows:

H.R. 13079

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

tive with respect to acquisitions made after July 31, 1969, section 4911(d) of the Internal Revenue Code of 1954 (relating to termination of interest equalization tax) is amended by striking out "July 31, 1969" and inserting in lieu thereof "August 31, 1969".

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

EXTENSION OF SURCHARGE WITHHOLDING TAX RATES FOR 15 DAYS

Mr. MILLS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 13080) to continue for an additional 15 days the existing rates of income tax withheld at source.

The Clerk read the title of the bill.

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

Mr. BYRNES of Wisconsin. Mr. Speaker, reserving the right to object, I do so only to yield to the gentleman from Arkansas, the chairman of the committee, for a brief explanation of the bill.

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

Mr. BYRNES of Wisconsin. I yield to the gentleman from Arkansas.

Mr. MILLS. This would continue, Mr. Speaker, for another 15 days or through August 15, 1969, the present withholding rates which are presently in effect. It will be recalled that the Congress recently did extend these withholding rates for 30 days. This bill would extend it for an additional 15 days in order to afford Congress time to try to legislate prior to the adjournment of the Congress on the 13th of August.

Mr. BYRNES of Wisconsin. Mr. Speaker, I would only add to what the gentleman from Arkansas said that this is essential if we are to give any opportunity for this body or the other body to act further in this area of the surtax extension. It seems to me we have no alternative at this late date.

Mr. Speaker, I withdraw my reservation of objection.

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

Mr. HAYS. Mr. Speaker, further reserving the right to object, is the gentleman aware of the statement by the majority leader of the Senate that was purportedly made today? At least I heard a radio newscast of it, in which he said that it might be well to let this thing die on the 13th of August rather than bring it up in the other body.

Mr. MILLS. I was not aware of such a statement, but I will say to the gentleman from Ohio, even if that should transpire, I think it is well for us to put ourselves in a position of trying to cooperate to the best of our ability with the other body in its consideration of the basic bill. If the other body wants to kill it, then that is the responsibility of the other body.

Mr. HAYS. I would like to help them kill it, if I knew of any way to do it. I thought that objecting to this motion might be one step to doing it.

Mr. MILLS. I do not think it would necessarily accomplish that, because if the other legislation should finally pass and there is a gap in the withholding period, then that tax, if the Congress passes it, would be collected on the 15th day of April next year in the larger amount with, I am sure, more inconvenience to the people than if we had this.

Mr. HAYS. I have a great deal of respect for the gentleman's opinion, Mr. Speaker, but in this case I will take the chance that it might help to kill it, and, therefore, I will object.

The SPEAKER. Objection is heard.

PROVIDING FOR CONSIDERATION OF H.R. 2, TO AMEND FEDERAL CREDIT UNION ACT

Mr. PEPPER. Mr. Speaker, on behalf of the able gentleman from Texas (Mr. YOUNG) and by direction of the Committee on Rules, I call up House Resolution 483 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 483

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. 2) to amend the Federal Credit Union Act so as to provide for an independent Federal agency for the supervision of federally chartered credit unions, and for other purposes. 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 the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. PEPPER. Mr. Speaker, I yield 30 minutes to the distinguished gentleman from Nebraska (Mr. MARTIN) and, pending that, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 483 provides an open rule with 1 hour of general debate for consideration of H.R. 2 to amend the Federal Credit Union Act so as to provide for an independent Federal agency for the supervision of federally chartered credit unions, and for other purposes.

H.R. 2 would create a National Credit Union Administration to be headed by an Administrator, appointed by the President with the advice and consent of the Senate. The Administrator will be under the direction of a Board of Governors representing membership from each Federal credit union region, plus a chairman to be appointed at large. Members of the Board will be appointed by the President with the advice and consent of the Senate.

Members of the Board will serve for a 6-year period. The Administrator will serve at the pleasure of the President.

The Credit Union Administration will be responsible for the regulation, supervision, and examination of Federal credit unions, and will perform all the functions presently carried on by the Bureau of Federal Credit Unions.

Operating costs of the Administration will be borne by fees and assessments paid by the more than 12,000 Federal credit unions in the United States.

Members of the Board shall be entitled to receive compensation at the rate of $75 a day when engaged in the business of the Administration as authorized by the Chairman. Also, they shall be allowed travel expenses, including per diem, as authorized by section 5703, title 5, United States Code, for persons in the Government service employed intermittently.

At the present time, regulation of Federal credit unions is under HEW; however, there are 12,689 Federal credit unions in this country, with over 20 million members, and it is felt that there should be an agency charged solely with overseeing them.

Mr. Speaker, I urge the adoption of House Resolution 483 in order that H.R. 2 may be considered.

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

Mr. Speaker, the purpose of the bill is to create a National Credit Union Administration whose function shall be to regulate, supervise, and examine all federally chartered credit unions. It will replace the current Bureau of Federal Credit Unions which is to be disbanded.

The Federal Credit Union Act was passed in 1934. Since that time the regulation of federally chartered credit unions has been passed from one agency or department to another. However, the program has prospered. There are now 12,689 federally chartered credit unions with some 20 million members and over $14,000,000,000 in savings. The committee believes that the credit unions should no longer be a stepchild but should have an independent administration to regulate their operations.

The bill calls for the creation of a National Credit Union Administration, headed by an administrator who shall be appointed by the President, with the advice and consent of the Senate, and serve at his pleasure. The administrator will be under the direct control of a nine-member board of governors who shall represent the membership from each Federal credit union region. Members will be appointed by the President, with advice and consent of the Senate, and shall serve for 6 years. The board and administrator shall regulate and supervise credit union operations.

No Federal expense will be incurred. All operational costs of the National Credit Union Administration shall be borne by the credit unions themselves, who strongly support the bill.

No agency letters are contained in the report but it is noted that the Department of Health, Education, and Welfare, where the current regulatory body now resides, opposes the change to a new and independent agency.

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

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

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

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

SEPARATE FEDERAL CREDIT UNION AGENCY

Mr. PATMAN. Mr. Speaker, I call up the bill (H.R. 2) to amend the Federal Credit Union Act so as to provide for an independent Federal agency for the supervision of federally chartered credit unions, and for other purposes, and ask unanimous consent that it be considered in the House as in the Committee of the Whole.

The Clerk read the title of the bill.

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

There was no objection.

The Clerk read the bill, as follows:

H.R. 2

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

SECTION 1. Section 2 of the Federal Credit Union Act (12 U.S.C. 1752) is amended by striking out paragraphs (2) and (3) thereof and inserting:

"(2) the term 'Administrator' means the Administrator of the National Credit Union Administration;

"(3) the term 'Administration' means the National Credit Union Administration; and

"(4) the term 'Board' means the National Credit Union Board of Governors."

SEC. 2. The Federal Credit Union Act is further amended (1) by changing "Director" to read "Administrator" each place it appears therein; (2) by changing "Bureau of Federal Credit Unions" to read "National Credit Union Administration" each place it appears therein; and, (3) by changing "Bureau", each remaining place it appears, to read "Administration".

SEC. 3. Section 3 of the Federal Credit Union Act (12 U.S.C. 1752a) is amended to read:

"CREATION OF ADMINISTRATION

"SEC. 3. (a) There is hereby established in the executive branch of the Government an independent agency to be known as the National Credit Union Administration (hereinafter referred to as the 'Administration'). The Administration shall consist of a National Credit Union Board of Governors (hereinafter referred to as the 'Board'), and an Administrator.

"(b) The Board shall consist of nine members to be appointed by the President, by and with the advice and consent of the Senate. In selecting the members of the Board, the President shall designate a Chairman and a Vice Chairman who shall serve as representatives at large. In making his selection of the remaining members, one from each of the seven Federal credit union regions, the President shall receive and give special consideration to the nominations submitted by credit union organizations which are representative of a majority of the credit unions located in the region for which a Board member is to be appointed. The persons so appointed as members of the Board shall be selected on the basis of established records of distinguished service in the credit union movement.

"(c) The term of office of each member of the Board shall be six years, except that (1) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term; and (2) the terms of office of the members first taking office after the date of enactment of this Act shall expire, as designated by the President at the time of appointment, three at the end of two years; three at the end of four years; and three, including the Chairman and Vice Chairman, at the end of six years. Terms of office shall be on a calendar year basis. No member shall serve more than two full consecutive terms of office.

"(d) The President shall call the first meeting of the Board, and thereafter the Board shall meet on a quarterly basis, and at such other times as the Chairman or the Administrator may request, or whenever one-third of the members so request. The Board shall adopt such rules as it may see fit for the transaction of its business and shall keep permanent and complete records and minutes of its acts and proceedings. A majority of the voting members of the Board shall constitute a quorum. The Board shall advise, consult with, and give guidance to the Administrator on matters of policy relating to the activities and functions of the Administration under this Act. The Board shall render an annual report to the President for submission to the Congress, summarizing the activities of the Administration and making such recommendations as it may deem appropriate. Each report shall propose such legislative enactments and other actions as, in the judgment of the Board, are necessary and appropriate to carry out its recommendations. The members of the Board shall be entitled to receive compensation at the rate of $75 for each day engaged in the business of the Administration pursuant to authorization by the Chairman, and shall be allowed travel expenses including per diem in lieu of subsistence as authorized by section 5703 of title 5 of the United States Code for persons in the Government service employed intermittently.

"(e) There shall be an Administrator of the National Credit Union Administration who shall be appointed by the President, by and with the advice and consent of the Senate. The Board may make recommendations to the President with respect to the appointment of the Administrator. He shall be the chief executive officer of the Administration which shall be a full time position in the executive department at level IV of the Executive Schedule (5 U.S.C. 5315). The Administrator shall serve at the pleasure of the President."

SEC. 4. (a) All functions, property, records, and personnel of the Bureau of Federal Credit Unions are transferred to the National Credit Union Administration created by this Act.

(b) The Director of the Bureau of Federal Credit Unions in office on the date of enactment of this Act shall serve as acting Administrator of the National Credit Union Administration pending the appointment of an Administrator in accordance with section 3 of the Federal Credit Union Act as amended by this Act.

Mr. PATMAN (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the bill be dispensed with, and that it be printed in the RECORD and open to amendment at any point.

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

There was no objection.

GENERAL LEAVE

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks and insert extraneous material on H.R. 2, separate Federal credit union agency.

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

There was no objection.

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

Mr. Speaker, the legislation before the House today, H.R. 2, is basically a very simple bill. It would merely upgrade the status of the Bureau of Federal Credit Unions, the agency charged with the regulation and supervision of our Nation's Federal credit union system.

The upgrading would be brought about by creating a new agency, the National Credit Union Administration, which would function as a separate agency within the governmental framework.

H.R. 2 was cosponsored by a bipartisan group of 24 members of the Banking and Currency Committee. The legislation was reported by a unanimous vote—35 to 0.

NO COST TO TAXPAYERS

I would like to make it very clear in the beginning that although this legislation sets up a new governmental agency, it will not cost the taxpayers or the Government a single penny, since the funds to operate this agency will come from examination fees and assessments charged to Federal credit unions throughout the country. I can recall very clearly that when the Federal Credit Union Act was passed in 1934, I pointed out at that time that credit unions would pay their own way and would not be a burden to the taxpayers. I am proud that I can stand before you today, 35 years later, and point out that credit unions have not had to resort to taxpayers' funds in order to pay the costs of the operation of the Bureau of Federal Credit Unions. This is a remarkable record and it should not go unrewarded. The credit unions kept their promise not to depend on taxpayers' or governmental funds and the operation of the new agency, the National Credit Union Administration, will follow along in the self-supporting tradition of our Nation's credit unions.

The credit unions do not want to be dependent upon the Government and, in fact, would have been opposed to this legislation if it meant the use of taxpayers' funds. They are willing to pay all the bills and have stated so repeatedly. By spreading out the costs of the operation of the National Credit Union Administration across the nearly 13,000 Federal credit unions in the country, it will not work a financial hardship on any credit union.

There are more credit unions in the United States, 23,625, than all other financial institutions combined and there are more federally charted credit unions, 12,689, than all other financial institutions chartered by the Federal Government.

TABLE 1.—UNITED STATES, 1968—STATISTICS OF THE CREDIT UNION MOVEMENT

State or territory	Number of active credit unions	Number reporting	Percent reporting	Number of members	Shares and deposits (savings)	Loans outstanding to members	Reserves	Assets	Most common dividend rate (percent)
Alabama	365	314	86.0	303,876	$194,660,651	$181,790,933	$12,104,285	$222,460,568	3.51–6.00
Alaska [1]	36	30	83.3	45,860	31,309,000	27,969,000	2,295,489	35,867,000	5.01–5.50
Arizona	170	163	95.9	187,980	105,923,510	104,522,951	7,151,833	123,901,221	5.00
Arkansas	156	144	92.3	77,845	36,314,378	34,219,652	2,478,885	42,338,227	5.00
California	1,852	1,475	79.6	2,521,386	1,601,536,192	1,579,408,588	113,375,243	1,848,190,072	5.00
Canal Zone [1]	7	6	85.7	15,682	6,015,000	4,819,000	540,132	7,107,000	4.50
Colorado	323	322	99.7	303,569	198,933,596	188,151,029	14,167,626	231,908,658	5.00
Connecticut	508	497	97.8	405,039	272,610,408	208,024,663	18,507,906	307,963,927	5.00
Delaware [1]	74	64	86.5	57,448	28,044,000	27,101,000	1,687,875	32,150,000	5.00
District of Columbia [1]	174	121	69.5	424,259	227,589,000	229,799,000	16,968,705	261,057,000	5.00
Florida	642	523	81.5	666,858	348,734,781	331,084,587	29,785,706	401,187,823	5.00
Georgia	396	296	74.7	349,138	202,648,176	189,154,856	10,422,944	226,954,626	5.51–6.00
Hawaii [1]	171	171	100.0	178,767	146,919,000	113,749,000	11,913,438	167,227,000	5.01–5.50
Idaho	178	148	83.1	80,183	38,251,171	39,768,733	2,579,166	47,693,458	5.00
Illinois	1,791	1,600	89.3	1,176,009	697,644,417	586,504,223	52,079,060	788,208,838	3.01–4.00
Indiana	604	471	78.0	474,891	324,868,891	263,788,872	24,540,415	373,166,422	5.00
Iowa	427	419	98.1	265,271	154,471,964	136,969,220	11,041,617	176,352,530	4.50
Kansas [2]	318	302	95.0	223,274	139,096,877	129,174,441	9,228,477	159,699,133	4.00
Kentucky	266	182	68.4	160,317	72,020,991	68,150,752	6,255,025	84,595,225	5.00
Louisiana	475	320	67.4	201,173	150,086,450	132,999,506	12,599,912	175,792,304	5.00
Maine	194	178	91.8	142,343	80,872,539	73,207,016	5,594,332	93,761,160	5.00
Maryland	228	156	68.4	291,190	143,635,964	146,674,830	11,145,087	171,162,564	5.00
Massachusetts	780	760	97.4	763,458	526,521,120	448,638,511	42,266,018	600,025,960	5.00
Michigan	1,188	1,129	95.0	1,611,973	1,089,057,871	1,051,778,570	66,855,738	1,305,576,748	5.00
Minnesota	440	432	98.2	376,507	246,435,162	232,294,429	17,291,073	292,470,402	5.00
Mississippi	204	184	90.2	122,720	56,171,162	54,889,541	4,268,095	64,724,115	5.00
Missouri [2]	546	521	95.4	443,087	250,135,235	224,363,163	16,927,056	285,485,059	3.01–4.00
Montana	140	126	90.0	70,044	34,046,187	32,556,690	2,629,052	39,921,386	5.00
Nebraska	157	131	83.4	118,957	71,662,951	58,741,888	5,649,638	81,230,352	5.00
Nevada [1]	65	45	69.2	56,454	32,415,000	31,854,000	2,147,589	37,677,000	5.01–5.50
New Hampshire [3]	65	65	100.0	70,048	38,220,152	33,871,607	2,633,228	44,494,528	5.00
New Jersey	578	534	92.4	382,061	197,749,881	149,796,077	17,787,466	228,591,423	5.00
New Mexico	140	133	95.0	95,580	61,520,942	58,665,371	4,516,577	73,241,495	5.00
New York	1,189	856	72.2	963,308	520,591,457	468,528,341	44,735,432	612,076,452	5.00
North Carolina	304	227	74.7	258,885	119,511,885	109,662,797	7,682,561	134,246,847	5.51–6.00
North Dakota	130	97	74.6	61,509	31,886,897	33,919,582	1,847,305	40,427,842	3.01–4.00
Ohio	1,440	1,165	80.9	1,064,824	644,007,128	552,595,110	49,240,255	737,412,109	5.00
Oklahoma	195	154	79.0	217,908	114,055,406	135,531,411	10,476,887	160,708,058	5.00
Oregon	247	245	99.2	208,078	102,473,686	128,892,715	10,953,373	152,658,210	5.00
Pennsylvania	1,390	1,390	100.0	886,868	469,774,198	391,024,954	37,724,650	552,063,126	5.00
Puerto Rico	435	128	29.4	136,599	74,792,790	78,402,715	4,387,060	89,333,324	5.00
Rhode Island	147	114	77.6	188,030	135,286,837	120,887,142	10,468,945	154,957,346	4.50
South Carolina	147	138	79.3	164,202	78,806,520	78,561,066	4,926,064	91,358,179	5.00
South Dakota [1]	118	118	100.0	46,827	23,635,242	20,826,363	1,738,992	27,172,818	5.00
Tennessee	520	518	99.6	372,749	246,951,314	228,771,092	15,056,393	286,849,943	5.00
Texas	1,412	1,398	99.0	1,243,750	783,362,189	748,953,440	47,941,980	903,887,370	5.51–6.00
Utah	323	319	98.8	219,979	152,034,291	148,101,324	6,804,334	173,692,999	5.00
Vermont	74	74	100.0	36,118	16,723,542	16,484,542	1,065,368	19,098,377	5.00
Virgin Islands [1]	3	1	33.3	1,792	240,000	182,000	32,149	283,000	5.51–6.00
Virginia	329	271	82.4	326,375	157,521,653	151,621,451	11,589,770	185,074,683	5.00
Washington	390	369	94.6	462,025	296,713,876	279,549,082	21,932,094	346,268,033	5.00
West Virginia	197	128	65.0	80,583	46,615,145	42,279,773	4,054,946	54,354,842	5.00
Wisconsin	780	536	68.7	574,691	370,013,135	328,526,975	31,231,785	416,099,170	3.01–4.00
Wyoming [1]	59	57	96.6	29,069	16,477,000	13,796,000	1,529,406	18,867,000	5.00
American Samoa	1	1	100.0	56	5,706	9,019	637	9,157	(4)
Okinawa	2	2	100.0	19,978	5,011,148	4,376,859	202,987	5,421,621	5.51–6.00
Guam	4	3	75.0	10,977	3,310,342	2,904,352	76,753	3,479,432	5.01–5.50
Trust Territory of the Pacific	41	38	92.7	7,572	1,074,255	1,133,952	59,122	1,231,577	(4)
Wake island [1]	1	1	100.0	111	2,000	2,000	(4)	2,000	(4)
Total	23,563	20,310	86.2	20,246,110	12,217,008,939	11,261,055,756	885,194,929	14,099,216,739	

[1] No State-chartered credit unions.
[2] Fiscal year Sept. 30, 1968.
[3] Fiscal year June 30, 1968.
[4] Not available.

Note: Statistics taken from International Credit Union Yearbook, 1969.

There are more than 20 million credit union members in the United States with savings in their institutions of more than $14 billion. More than half of the total membership and assets of the credit unions belong to federally chartered credit unions. Yet, despite the magnitude of credit unions, the regulation and supervision of these extremely worthwhile financial institutions lies buried in the Bureau of Federal Credit Unions, which operates at the third tier in the governmental organizational structure. The Bureau of Federal Credit Unions is a subagency of the Social Security Administration, which, in turn, is a subagency within the Department of Health, Education, and Welfare. The Director of the Bureau of Federal Credit Unions does not report directly to the Secretary of the Department of Health, Education, and Welfare, but instead must function through the Social Security Administration. The Bureau of Federal Credit Unions is not provided with full-time legal counsel but must depend on part-time legal help obtained from other sections of the Social Security Administration. This clearly is not an example of how a governmental agency, charged with such a great responsibility, should operate. In short, it is poor governmental administration.

WILL UPGRADE PRESENT AGENCY

H.R. 2 would merely upgrade the operations of the Bureau of Federal Credit Unions by creating a National Credit Union Administration which would function as an independent agency reporting directly to the President and the Congress. The new agency, the National Credit Union Administration, will be governed by a Board of Governors, with the day-to-day operations of the Administration handled by an Administrator. All of these positions will be on a basis of a Presidential appointment by and with the advice and consent of the Senate.

Mr. Speaker, during the hearings on H.R. 2, it became clearly evident that the Bureau of Federal Credit Unions is clearly a stepchild of the Department of Health, Education, and Welfare. During the 90th Congress, I first introduced a bill to create a seperate Federal credit union agency. For 18 months, I tried to get an agency report on the legislation from the Department of Health, Education, and Welfare but was unsuccessful. I have learned that the Department did not adopt a finalized position on the legislation until the afternoon preceding the hearings on H.R. 2. This would clearly indicate that the Department does not pay a great deal of attention to the Bureau of Federal Credit Unions.

Last December, the Department ordered a reorganization of the Federal credit union regions throughout the country. Supposedly, this was done to affect budget cuts throughout the Government. I fail to see the logic in this since all of the funds obtained for operating the Bureau of Federal Credit Unions, as I stated earlier, are paid directly by the credit unions and involve no Government funds whatsoever. The reorganization was accomplished even though not a single credit union, credit union oragnization, or credit union official had complained about the regional setup nor were any credit union people consulted about the reorganization, even though they paid all the bills.

CREDIT UNIONS NEXT TO CHURCH

As I have often said, next to the church, the credit unions do more good for people than any other institution. Perhaps one of the best examples to prove this has been the establishment of credit unions on U.S. military installations overseas. In 1965, the Banking and Currency Committee's Domestic Finance Subcommittee conducted an investigation into the problems that servicemen have in obtaining credit. The subcommittee was shocked to learn that it was not uncommon for servicemen to be charged interest rates of 60, 70, or even 80 percent when they borrowed money or made purchases on credit. Although the problem was severe in the United States, it was of staggering proportions in foreign countries where our servicemen are stationed. The serviceman had to pay these usurious interest rates because there were no low-cost, totally reliable lenders. Witnesses before our committee estimated that servicemen throughout the world were paying $50 million a year in extortionate, excess and usurious interest rates. This was money that they would not have had to pay had credit been available to them at reasonable terms.

It quickly became evident that one of the solutions to this problem would be to establish credit unions on military installations in foreign countries. It took a lot of work and a great deal of time to accomplish our objectives. The committee and the subcommittee had to make certain that the credit unions were allowed under the laws of the various countries involved and it necessitated writing new regulations for the Department of Defense. But once the credit unions were in operation, the results were spectacular. The first credit union was opened in Berlin on December 26, 1967, and shortly thereafter, five other credit unions opened in Germany. Since that time, credit unions have been established in England, the Philippines, Italy, and Korea. At the end of May of this year, these credit unions had signed up more than 56,000 members and had lent more than $33 million.

BALANCE OF PAYMENTS HELPED

Not only are the credit unions helping our servicemen but they are also helping our balance-of-payments situation since servicemen are no longer borrowing from foreign finance companies to finance purchases on the economy but rather are borrowing from the credit union and are thus able to take advantage of the bargains in the post and base exchange and ship store programs.

Mr. Speaker, I have not dealt at length upon the "nuts and bolts" aspect of H.R. 2 since, as I stated in the beginning, this is a totally uncomplicated bill. The operation of the Bureau of Federal Credit Unions would not be changed as far as its function is concerned. However, the Bureau would be replaced by a National Credit Union Administration, which would be headed by an administrator who will be appointed by the President with the advice and consent of the Senate. In addition, the Administration will be guided by a Board of Governors consisting of nine members to be appointed by the President with the advice and consent of the Senate. The members of the Board will serve for a 6-year period, while the Administrator, in order to insure continuity with the President, shall serve at the pleasure of the President.

FIRST STARTED IN NEW HAMPSHIRE

As credit unions grow, it is important that we make certain that the regulation and supervision of credit unions is not a small flea on a large dog.

Mr. Speaker, it is entirely fitting that H.R. 2 should be before this body in 1969, for this year marks the 60th anniversary of the founding of the first credit union in the United States at Manchester, N.H. Shortly after the founding of the first U.S. credit union, a Boston merchant, Edward A. Filene, who had dedicated his life to bettering the conditions of his fellow man, became interested in the credit union movement and persuaded Roy Bergenren, who is also from Massachusetts, to work with him in building credit unions throughout the United States.

The early growth of credit unions in this country was less than spectacular. By 1921, 12 years after the first credit union was established in this country, there were only 190 credit unions. In the early 1930's it became evident that in order for the credit union program to be totally successful, there would have to be a system of Federal credit unions. One of the main reasons for wanting Federal credit unions was that in some States, enemies of credit unions, had blocked the passage of credit union legislation, thus preventing the chartering of State credit unions. About this time, my good friend, Senator Morris Sheppard, who came from my hometown of Texarkana, began to interest me in credit unions. Along with Senator Sheppard, I cosponsored the Federal Credit Union Act. Senator Sheppard sponsored the bill in the Senate and I sponsored the bill in the House and I was the only Member of the House to testify on the bill before the Banking and Currency Committee. Since that time, I have sponsored every piece of Federal credit union legislation. In June of 1934, the legislation was signed by President Roosevelt and the first Federal credit union was chartered in Texarkana, Tex. Since that day in 1934, when Federal credit unions were authorized, the rise of credit unions in the United States has been phenomenal. In 1934, there were less than 2,500 credit unions and by the end of 1969, there will be nearly 25,000 credit unions. Thus, we have seen nearly a tenfold increase in the number of credit unions since the time the Federal Credit Union Act was passed.

The following table illustrates the dramatic growth of credit unions in the United States:

TABLE 13.—OPERATIONS, 1909–68, U.S. CREDIT UNIONS

Year	Number of active credit unions	Number of members	Shares and deposits (savings)	Loans outstanding to members	Reserves	Assets
1968	23,563	20,246,110	$12,217,008,939	$11,261,055,756	$885,194,926	$14,099,216,739
1967	23,053	19,079,864	11,128,197,525	9,879,219,058	779,007,206	12,778,099,851
1966	22,692	17,897,351	10,106,473,629	9,093,839,600	677,904,383	11,609,047,952
1965	22,119	16,753,106	9,248,865,386	8,095,443,809	589,512,465	10,552,125,323
1964	21,807	15,619,210	8,241,615,640	7,046,016,021	510,318,443	9,360,818,386
1963	21,369	14,586,988	7,166,397,511	7,170,577,360	441,453,778	8,130,655,890
1962	20,951	13,762,047	6,331,180,434	5,476,668,785	381,298,538	7,186,213,145
1961	20,615	12,882,793	5,635,808,585	4,817,635,085	325,657,500	6,382,517,938
1960	20,047	12,037,533	4,974,580,218	4,377,305,517	272,284,887	5,653,475,890
1959	19,452	11,262,581	4,436,396,254	3,707,712,487	232,207,013	5,024,163,414
1958	18,838	10,431,606	3,869,853,889	3,078,287,068	197,694,237	4,345,513,247
1957	18,203	9,819,452	3,381,850,852	2,778,305,187	165,257,432	3,813,447,173
1956	17,256	9,061,339	2,914,121,390	2,326,167,885	136,520,194	3,270,944,723
1955	16,201	8,153,641	2,446,846,375	1,933,886,150	109,932,462	2,743,441,284
1954	15,073	7,355,642	2,039,294,483	1,552,050,289	91,068,892	2,270,354,609
1953	13,703	6,635,543	1,688,329,872	1,307,502,648	75,053,792	1,895,106,600
1952	12,291	5,888,287	1,355,820,077	985,044,812	66,572,058	1,516,118,652
1951	11,283	5,196,393	1,040,437,236	747,084,026	59,426,468	1,198,327,876
1950	10,591	4,610,278	850,488,875	679,864,572	52,074,361	1,005,475,598
1949	9,924	4,090,721	702,989,666	515,824,566	43,239,509	827,088,969
1945	8,683	2,842,989	369,122,697	127,903,039	24,416,088	434,622,487
1942	9,767	3,144,603		148,771,572		340,347,742
1941	9,891	3,304,390		219,855,642		322,214,816
1940	9,023	2,826,612		190,250,726		253,149,629
1939	7,964	2,309,183		148,773,153		193,599,722
1938	7,059	1,868,262				147,293,893
1937	6,105	1,538,177				116,337,733
1936	5,241	1,170,445				82,817,246
1935	3,372	641,797				50,336,168
1934	2,489	427,097				40,212,112
1929	974	264,908				
1925	419	108,000				
1921	190	72,310				
1909	1					

Despite the fantastic growth of credit unions, these worthwhile institutions are not resting on past glories but are continually seeking to improve their service.

STUDENT CREDITS ARE NEEDED

I have long felt that students in our school systems are not receiving economic education. Too many students graduate from college without knowing how to write a check or make out a budget. This is one of the reasons I feel that personal bankruptcies in this country have reached such great proportions and why unscrupulous lenders are able to extract such high interest rates from borrowers. In order to overcome this lack of economic education, I was successful in getting the credit union movement to take part in a pilot project which I hope will spread across the country. The program is underway at Fort Knox, Ky., and once we have gained some experience there, it is hoped that the program will branch to other credit unions. Basically, the project involves a student credit union which is sponsored by the parent credit union. The student credit union is run by the students themselves

with an assist from the main credit union in the areas of providing counseling and economic education. The students put their savings in the credit union and also make loans. In short, they are learning how to take care of their own finances. The project at Fort Knox has been open only a few months, but already the students have saved more than $4,000 in the credit union.

This, Mr. Speaker, is a good example of how credit unions are helping America and it is an example of why Congress should pass H.R. 2 so that programs, such as the student credit union, can be more readily put into operation rather than requiring clearance from a number of departments which have no interest in credit unions whatsoever.

Mr. Speaker, H.R. 2 means a great deal to the millions of credit union members throughout the country and it means even more to the thousands of volunteers who have devoted, in many cases, their lives to serving credit unions. Enactment of H.R. 2 is the least that Congress can do to show our gratitude for the wonderful work performed by these great institutions.

Mr. WIDNALL. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, I rise in support of the bill, H.R. 2, a bill to amend the Federal Credit Union Act so as to provide for an independent Federal agency for the supervision of federally chartered credit unions.

H.R. 2 would create a National Credit Union Administration which would be headed by an Administrator who will be appointed by the President with the advice and consent of the Senate. The bill also creates a Board of Governors representing membership from each Federal credit union region, plus a Chairman to be appointed at large. Members of the Board will be appointed by the President by and with the advice and consent of the Senate. The members of the Board will serve for a 6-year period, while the Administrator, in order to insure continuity with the President, shall serve at the pleasure of the President.

The National Credit Union Administration will be responsible for the regulation, supervision, and examination of Federal credit unions, and will perform all of the functions presently carried on by the Bureau of Federal Credit Unions.

The bill was favorably reported by the Committee on Banking and Currency without amendment by a vote of 35 to 0.

It should be pointed out that this reorganization will not cost the taxpayer any money whatsoever since all the operating funds of the new agency would be paid for by receipt of fees and asessments paid by the more than 12,000 Federal credit unions in the United States.

Although the existing Federal credit union movement has flourished and grown under existing administration and supervision, many observers, including myself, have long felt that the credit union movement justified a separate credit union agency, particularly in view of the fact that during the 35 years in which the Federal credit unions have been in existence, the supervision has been transferred several times. To put it more succinctly, there are now more than 20 million credit union members in the United States with savings of more than $14 billion. The sheer magnitude of these figures justifies the more elevated status of an independent Federal agency.

While section 3(d) states:

> The Board shall advise, consult with, and give guidance to the administrator on matters of policy relating to the activities and functions of the administration under this Act.

It is my hope that the President will appoint a vigorous and well-qualified Administrator. In keeping with the recommendations of the Hoover Commission and recent Reorganization Acts, it is evident that a vast majority of the Congress feel that independent agencies require strong and effective executive leadership, not fragmented and paralyzed by the close division of opinion which often develops among the membership of appointed boards of directors. While the Board established by H.R. 2 should be responsive to and acquainted with the needs of the constituent Federal Credit Unions which it will supervise, it is my personal hope that the language of section 4(e) of the bill in which the administrator is described as "the chief executive officer" will provide the statutory basis for firm and effective leadership.

Mr. Speaker, I urge adoption of H.R. 2.

(Mrs. HECKLER of Massachusetts asked and was given permission to extend her remarks at this point in the RECORD.)

Mrs. HECKLER of Massachusetts. Mr. Speaker, I wish to add my enthusiastic endorsement for H.R. 2, creating an independent Federal agency for the supervision of federally chartered credit unions. This piece of legislation represents an important step forward for the credit union movement.

During the past few years, I have become thoroughly acquainted with the activities of the Federal credit unions in my congressional district, in Boston, and throughout the Commonwealth of Massachusetts. From my personal experience, I have become deeply impressed with the credit unions' operations and the high caliber of the services which they provide.

Credit unions have made a significant contribution to the economic needs of private citizens in numerous cities and towns and in such economically disadvantaged areas as Fall River in my district as well. Among the services these credit unions offer, is, of course, the ability to make funds available to the workingman. In an area like Fall River, this function can be an important and convenient compliment to the normal sources of financial assistance to the workingman as well as to all citizens. The credit union is thus an important adjunct to usual credit sources especially in times when people have few resources to turn to.

Besides the regularly available services, Federal credit unions have left their mark for their dedication to and the attainment of various social goals. They are well known for their work with the Agency for International Development and the Office of Economic Opportunity, to name only two.

I particularly want to recognize the remarkable achievements of a distinguished Massachusetts citizen, Mr. Julius Stone of CUNA, for his tireless efforts to make the credit union movement a vital, viable aspect of our Nation's economic health and stability.

Mr. Speaker, the present bill gives a much-needed independent status to a Federal credit union agency to insure full and certain representation of the Federal credit unions interests on the national level. Consolidation also lightens the administrative burdens by creating a single operation with complete services and duties and a single unit to formulate policy decisions. In the fast growing area of Federal credit unions, it has now become essential to create this independent agency.

Mr. Speaker, I again emphasize the importance of this bill, H.R. 2, and recommend its adoption to this body.

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

I wish to say at the outset that I am certainly in favor of credit unions. I have often been a guest, and indeed have addressed, both CUNA International and members of the National Association of Federal Credit Unions, and one of the reasons that I have been so strongly in their support is that it has been a do-it-yourself organization.

As I have understood it, they have organized, saved, loaned, and done all of these marvelous things that both the chairman of the Committee on Banking and Currency and the ranking member, my colleague from New Jersey (Mr. WIDNALL) have stated. But it seems to me that that is not the question that is before us today. It is not a question of whether we approve of Federal Credit Union agencies or not. That has long since been established. The question here today is whether we create a "czar" and a Board and take away from these agencies and unions the very thing that they themselves have built so well. The question here today, in spite of the statement in the committee report that it will not cost the taxpayers 1 cent, is whether we are going to pay per diems for the Administrator and members of the Board out of the funds of the unions; and who doubts that eventually it will be replaced out of taxpayers moneys as in the case of the International Development Bank and many other agencies which we have created as "independent" agencies? Just as sure as the sun will shine in the east tomorrow as the reins I control and a third party get tighter, they will finally come back asking for complete Federal control and for complete Federal support.

I think this bill does establish what will be known as the "czar" of the credit union agencies. I think there is substance to HEW's objection written into the report. I am not sure how strong the CUNA International or the National Association of Federal Credit Unions are in support of the legislation. Although the statement is in the report, there is no

letter that either one of them have sought for such legislation, or do now support the Federal takeover and the establishment of this czar of our credit unions and our credit committees.

I repeat, Mr. Speaker, repeatedly and for emphasis, that I am in favor of continuing the credit unions. I believe in all of the good works they have done. I know that some of the members have made deposits in order to borrow at the lower interest rates. I find nothing wrong with that, as a business procedure.

I am primarily a low-interest man myself, incidentally, one who is being put out of business by high interest rates back in the district, but, be that as it may, I do not think we should take over as a so-called independent agency of the Government, and establish and elect a czar, to say nothing of a Presidentially appointed board, a going concern, self-controlled and very successful. It will create more patronage, it will create more sufferance, and it will take away the substance and the very thing that the distinguished gentleman from Texas has eulogized here: The fact that these people have helped themselves, these volunteers have worked on their own time, not on Federal time or agency time, in many instances to do the very thing that has made the credit unions a success.

Why, oh why, do we now come here and superimpose some board or some czar over them, to watch over their business, which we say in the report they have effectively done for so long, and in which they have built up so many millions of dollars in reserves?

This is much better than we have done federally with our taxpayers' money, as far as Congress handling it is concerned, and it is much better than other federally supervised funds, including the social security trust fund, which is supposed to be so sacred, not to mention the civil servants retirement fund on which we voted last week.

Mr. Speaker, I hope this bill is voted down.

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

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

Mr. PATMAN. Mr. Speaker, the gentleman was concerned about CUNA being for or against it. CUNA is the national organization.

Mr. HALL. Mr. Speaker, I know exactly what it is, and I have been their guest on many occasions.

Mr. PATMAN. They operate all over the Nation. The CUNA organization as an organization had regional meetings when this bill was introduced the second time. The first time, in the 90th Congress, it was not insisted upon, and during the 91st Congress they have had meetings all over the Nation and they reached out and embraced every State in the Nation. The resolutions have been practically unanimous. I do not know any place where there was any dissenting voice.

Mr. HALL. Mr. Speaker, I can only say to the distinguished gentleman from Texas, who has been in Congress a long time, it would have been well to print some of those letters in the committee report. I see nothing in the committee report except a statement from HEW that they are in opposition to it. I agree with the chairman and the writer of the report that their reasons are not too sound. I recognize they have a part as an agency, but why intervene to destroy successful voluntarism?

Mr. Speaker, I ask, and surely believe, that this bill should be rejected out of hand, lest its action return in future years to haunt us.

Mr. TAFT. Mr. Speaker, I move to strike the last word.

Mr. Speaker, I would like to say a word or two in support of this legislation. I see no more danger of a czar—in fact a lot of less danger of a czar insofar as the financial institution is concerned in setting up an independent agency, than I do in putting what are truly financial institutions under the Department of Health, Education, and Welfare, where I do not think they properly belong.

These institutions now have approximately $8 billion in assets throughout the United States. I think they should have the separate and immediate concern of a separate regulatory agency, just as our other financial institutions do.

Therefore, Mr. Speaker, I rise in support of this bill, H.R. 2, which would establish an independent agency to supervise Federal credit unions by converting the present supervisory agency, the Bureau of Federal Credit Unions, into a National Credit Union Administration.

My support of this legislation is based primarily upon two considerations—the unique nature of the credit union as a cooperative, self-help financial institution and the fact that the credit unions themselves foot the entire expense of their supervisory agency with no cost to the American taxpayer.

Credit unions are unique among all financial institutions in that they are owned by their members and are designed to serve only their members in the field of savings and low cost borrowing of a provident nature. They are organized by groups of people with a common bond of interest such as, for example, the employees of a particular business or plant, the members of a church or parish, members of a labor union, personnel of a military installation, or residents of a specific community in a low income area. These people with a common interest join together to pool their savings and to provide a source of credit in order to help one another.

This common bond of interest is the basis for one of the greatest differences between credit unions and other financial institutions. The creditor-debtor relationship is unique because the members of a credit union are its shareholders and owners. They all have an equal and direct voice in the operation of the credit union—every shareholder has one vote regardless of the amount of shares he holds.

When a credit union member borrows from a credit union, he knows he is borrowing from the savings of his fellow members. He therefore has a deep sense of responsibility to pay back his loan because of this close creditor-debtor relationship. He is interested and concerned in the credit union's operations because it is his credit union, his savings, his debt to his fellow workers and members. He knows that credit is extended to him because his fellow members have made it possible—because they trust him and want to help him solve his financial problems. And in many cases, he knows that the credit union is the only financial institution where he has credit—that he has no credit standing with other legitimate credit sources.

Today the Federal credit union movement embraces some 12,700 individual credit unions with over 10.8 million members. There are more federally chartered credit unions in the United States than all other federally chartered financial institutions combined. Yet credit unions alone of our federally chartered financial institutions do not have a supervisory agency which is separate and independent.

Certainly, in my opinion, a movement which has demonstrated its stability and responsibility, its value as a self-help institution assisting the common man to solve his economic problems, and its dedication to aid the financially deprived in their efforts to get ahead, deserves the recognition and the prestige of having its own independent supervisory agency operating under the Federal Credit Union Act created by Congress.

My second point in support of this bill is that it will not cost the Government any money. Since fiscal year 1954, the Federal credit union program under the Bureau of Federal Credit Unions has been operated solely on funds paid by Federal credit unions themselves in chartering, supervision and examination fees. Congress has not appropriated funds for the past 15 years for the Federal credit union program. Under this proposed legislation, a National Credit Union Administration would continue to operate as an agency which would be entirely financially independent of the Federal Government and the American taxpayer. No Federal appropriations, no Government subsidies, no taxpayer expense is involved in the creation of this independent supervisory agency. The people who pay the bill—the Federal credit unions—want their own separate, independent agency. Why should we deny them this privilege which they have so obviously earned and for which they are willing to pay the costs?

I am pleased to lend my support to this bill, and I urge my colleagues to join me by passing this bill.

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

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

Mr. PATMAN. Mr. Speaker, the distinguished gentleman from Missouri made a statement about the letters not being in the RECORD nor testimonials in favor of this bill. They are mentioned all throughout the hearings. Some of them are printed in full. The State of Missouri credit unions unanimously supported this bill. There is no question about it. We have plenty of support for it. It was so

unanimous in every respect we just did not feel like filling the RECORD up with the hundreds of thousands of letters and telegrams and testimonials we received. But I assure the gentleman from Missouri we had sufficient strength for our committee of 35—each member of which is independent and speaks his own mind—and every one of these 35 voted for this bill, and not one against it. The same thing occurred in the Rules Committee.

Mr. Speaker, I thank the gentleman for yielding.

Mr. ANNUNZIO. Mr. Speaker, I am in wholehearted support of H.R. 2. I support this legislation not only because it will enable credit unions to better serve their members but also it is legislation that has been well earned and deserved by all credit unions.

Mr. Speaker, H.R. 2 is not only a tribute to credit unions but it is a personal tribute to the gentleman from Texas (Mr. PATMAN), the distinguished chairman of the Banking and Currency Committee, who is fondly referred to as the godfather of credit unions.

No man in any branch of our Government has done more for credit unions than WRIGHT PATMAN. He has fought successfully to provide credit unions with the recognition and status that they have earned and H.R. 2 is another example of his foresightedness in the area of credit unions. And the credit unions of our country have not overlooked the contribution that WRIGHT PATMAN has made. He is only one of three people to be given the Distinguished Service Award of CUNA International, the worldwide association of credit unions. This is the highest award in the credit union movement. A group of 14 credit unions in east Texas formed a credit union chapter and, appropriately enough, named their chapter after WRIGHT PATMAN.

Since coming to Congress, I have learned a great deal about money, banking, and finance. WRIGHT PATMAN has been my teacher and he has been a good one. He also got me interested in credit unions and I recall the first time that I heard him say, "Next to the church, the credit unions do more good for people than any other institution."

Based on Chairman PATMAN's observation, it is not unusual that churches and credit unions have become partners in helping humanity.

At the end of 1967, there were more than 1,600 church-related credit unions in the United States and Canada, with 881,880 members and $418 million in assets. Share deposits of these credit unions total $364 million with loans outstanding, totaling $294 million. These credit unions employ 577 full-time employees, 1,402 part-time employees, and 5,362 volunteers. The largest church credit union at the end of 1967 was the Pueblo, Colo., Mt. Carmel with 9,976 members and $7,373,930 in assets. There were other extremely large credit unions in Lewiston, Maine; Covina, Calif., and Detroit, Mich.

To illustrate how the church and a credit union work in cooperation, I am including in my remarks on H.R. 2 an article from the June 1969 issue of Credit Union magazine entitled, "Serving a Suburban Congregation".

In closing, Mr. Speaker, let me say that any group that would work as hard to better the plight of all mankind, as have our credit unions, deserves all the support that Congress can provide. Therefore, I urge my colleagues not only to pass H.R. 2 but to do so unanimously.

SERVING A SUBURBAN CONGREGATION

"We believe a church's members should be able to turn to it in time of economic need, as well as spiritual need. Our's are."

With these few words, Pastor Samuel Bauer of Chicago's Oak Lawn Community Church summed up his pride in the interdenominational church's 180-member credit union.

"Our people have their share of worldly problems," he continued. "I recall a woman member who suddenly lost her husband. With no cash on hand, she turned to the credit union to pay funeral expenses and get back on her feet."

But that, said the pastor, is a single example in thousands among the church's 1,054 members, who represent 23 religious denominations.

During his first 10 years at Oak Lawn, a working-class suburb of Chicago, the pastor on occasion took money from his pocket to solve parishioners' problems.

That was before parishioner Harry Nissen discovered the workings of the Elliott Paint Employees Credit Union where he worked in downtown Chicago. Nissen was convinced that a credit union was just what the church needed.

"Too often," he recalled, "the pastor got stuck because of his generous loan policies. Somebody in need would get a loan, and after a few weeks he'd quit paying and you'd never see him in church again."

The credit union, operating independently of the church, can combine the best of the worlds of business and religion: Its business principles require that members repay their loans. Its religious-oriented principles include benevolence and understanding of special needs.

Starting in October, 1958, the credit union grew slowly at first. By December, 1962, savings totalled $5,957, loans $5,666. Then things began to happen. By December 1964, savings were $20,891 with $16,430 in loans. As 1966 closed, savings totalled $44,364, loans $45,152.

Then savings spurted from $77,000 in December, 1967 to $105,770 by the following December, just two months after the credit union's 10th anniversary. Loans totalled $78,778.

The healthy spurt has no easy explanations. Several underlying factors have long favored the credit union:

Its continuous growth and good service reinforce members' confidence. Richard Holtom, in his sixth year as president, helps symbolize its stability.

Members are aware that the volunteer members of the board and committees work effectively. One volunteer has earned a particularly high reputation.

During the day, Mrs. Camilla Best is an accountant and secretary for a lawyer in Chicago's loop. At night she is the credit union's treasurer, and works 60 hours a month on its business. Her husband, Bernard Best, is the credit union's vice-president.

President Holtom believes members of a church are naturally more trusting of each other—and more trustworthy—than those in other types of common bonds. This, he adds, may be one reason members have saved more than they borrow.

The credit union is convenient. Virtually all business is transacted by mail at the treasurer's home address. This overcomes the difficulty of serving people whose weekday business takes them miles apart from each other.

Addressing envelopes is no problem. Members' names and addresses are stamped on the back cover of their passbooks. These show through the window envelopes in which they are returned.

In 1954, Holtom recalled, he and the treasurer conducted credit union business in the church basement on Sunday afternoons. But that didn't work out. Most members preferred to do business on weekdays.

Every Sunday, the Pastor mentions the credit union among announcements. In fact, he recently mentioned from the pulpit that he borrowed $1,800 to buy a car.

A paragraph on the credit union is also a regular feature of the church bulletin, and the monthly financial statement is posted on the bulletin board.

Payment of a 5-per-cent return has been an incentive for savers. People often say to the effect: "Where else could I get 5 per cent while being able to withdraw at any time?"

The 5 per cent is paid as a 4 per cent dividend and a 1 per cent bonus, payable at the end of the year. The board commits itself to a 4 per cent dividend to facilitate returning to that figure if conditions require it.

Expenses are limited to promotional literature, regular correspondence, postage, the annual meeting, plus $600 a year to rent space in the treasurer's home. Literature is handed out at every important church meeting.

Although loans have fallen far behind shares, there is incentive to borrow more than $1,000. Borrowers pay 12 per cent simple interest on the first $1,000, only 6 per cent beyond that.

A dynamic church with young members helps a church-related credit union move ahead as well. Of the 180 members, 125 are wage earners. Another 23 are housewives, and 32 are children.

Youth are urged from the pulpit to "start saving now. Spend money when you have it. If you need more later, you can borrow it."

One young member of the credit union, a girl, took the advice fully to heart. She won $1,000 on a radio quiz program and deposited it in the credit union.

Pastor Bauer, whose career includes the management of a chain of 19 hotels, foresees bigger things ahead for the church. Its present building on South Merton Avenue has been sold, and construction of a new church will begin shortly on a nearby five-acre estate, purchased at a discount.

"It now goes almost without saying," he added, "that the credit union is as much a part of the church as the sanctuary."

Mr. HANLEY. Mr. Speaker, during the Banking and Currency Committee hearings on H.R. 2, the only questions which were raised in connection with this legislation came up on two features of the bill. I think the committee report answers those two questions most effectively under "General Comments on the Legislation" on page 5 of the subject report.

One question concerned the provision that the President shall give special consideration to the nominations submitted by credit union organizations which are representative of a majority of Federal credit unions located in a region from which a board member is to be appointed. I call your attention to the fact that this provision in no way prevents individuals, single Federal credit unions, or any number of credit union organizations from submitting recommendations of names to be considered by the President for appointment to the board of governors. The primary purpose of this provision is to insure that individuals who are vitally interested in credit unions are considered for appointment to the board of governors. Actually, the committee

hoped that through this provision that credit unions and credit union organizations throughout the country would be encouraged to take an active part in making recommendations to the President. You will also note that the legislation provides that persons appointed to the board of governors shall be selected on the basis of established records of outstanding service in the credit union movement.

The second point raised in connection with this legislation concerns the fact that membership on the board of governors is not specificaly limited to individuals who represent Federal credit unions. The purpose here is to prevent the exclusion of the appointment of outstanding credit unions with a wealth of experience who may be associated with a State chartered credit union. However, the committee in its comments on this legislation emphasizes that it fully expects that a majority of the members on the board of governors of a national credit union administration should consist of individuals who represent Federal credit unions. I am sure that this is reasonable, and I am sure that the intent of this legislation as expressed in the committee report will be followed by the President in nominating individuals to the board, and by the Senate in considering such individuals for confirmation.

Mrs. SULLIVAN. Mr. Speaker, in my opinion, it should be emphasized that the legislation before us today contained in H.R. 2 to create an independent credit union supervisory agency is no "spur-of-the-moment" idea. It is the product of nearly 2 years' study and consideration by the distinguished chairman of the House Banking and Currency Committee and the organized credit union movement in the United States.

A bill to create an independent credit union supervisory agency was first introduced in November 1967 in the 90th Congress by the chairman of the House Banking and Currency Committee, Mr. PATMAN. Legislatively, no action was taken by the 90th Congress on the measure. However, Federal credit unions and credit union organizations were asked to submit recommendations and comments on the measure to improve it as an effective instrument of the credit union movement.

CUNA International, the principal credit union organization, immediately took steps to publicize the measure to all Federal credit unions and to seek recommendations on the measure. In 1968, CUNA International adopted resolutions in State and district meetings and finally its U.S. Forum, which consists entirely of U.S. credit unions, endorsed the legislation in principle. Subsequently, numerous comments and recommendations were submitted on the bill itself, and, as a result, Mr. PATMAN and 23 other members of the House Banking and Currency Committee introduced a revised bill, H.R. 2, in the 91st Congress.

Following the introduction of H.R. 2 on January 3, 1969, CUNA International again publicized this bill to all Federal credit unions and made a special staff study of it. The measure was again reviewed in State and district meetings. The U.S. Forum in May 1969 voted specific approval of H.R. 2 without changes.

I think it is extremely important that we realize that the Federal credit unions of this country have had nearly 2 years to study this measure and to suggest revisions to it. As a result of this study, the organized credit union movement at all levels has given its unqualified endorsement to this measure. Finally, the U.S. Forum of CUNA International adopted a resolution giving its complete approval of the bill.

We have in H.R. 2 legislation which would elevate the Bureau of Federal Credit Unions to an independent agency status as the National Credit Union Administration, and we have the unqualified endorsement of the people most affected—the Federal credit unions of this country. On that basis, I think we have every reason to pass this legislation as a justifiable recognition of the need and desire of our Federal credit unions to have their supervisory agency placed on a par with the supervisory agencies of other federally chartered financial institutions.

Mr. BARRETT. Mr. Speaker, during the hearings on the legislation to create an independent credit union supervisory agency, I was particularly impressed with certain factors regarding the growth of the Federal credit union program in this country.

When the Federal Act was passed in 1934, a section to administer and supervise the Federal credit union program was established in the Farm Credit Administration. The Farm Credit Administration administered the Federal credit union program from its inception in 1934 until 1942. During that period, 4,228 Federal credit unions were chartered and nearly 1.5 million people became shareholders therein.

In 1942, the Federal Credit Union section was transferred from the Farm Credit Administration to the Federal Deposit Insurance Corporation where it remained through 1947. During this period, under a bank-oriented agency, the number of federally chartered credit unions dropped to 3,845 and membership remained at approximately 1.5 million people.

In 1948, the Bureau of Federal Credit Unions was established, replacing the Federal Credit Union section and the program was placed under the Federal Security Administration, a forerunner of the Department of Health, Education, and Welfare. Under this more favorable atmosphere, the Federal credit union program once again flourished and by 1953 there were nearly 6,000 Federal credit unions with 2.8 million members. From 1953 to the present time, federally chartered credit unions have increased to 12,750 with over 10 million members under the more favorable climate of the socially oriented Department of Health, Education, and Welfare, despite the fact that the Bureau exists as a "stepchild" in the Department.

There is every reason to believe that with its own independent supervisory agency exclusively devoted to the progress and advancement of Federal credit unions we can expect the continued advancement of the Federal credit union program. Certainly Federal credit unions have grown to a mature status which justifies an independent agency devoted exclusively to their supervision.

Mr. ASHLEY. Mr. Speaker, the creation of a National Credit Union Administration to replace the Bureau of Federal Credit Unions as a supervisory agency for federally chartered credit unions has a particularly redeeming feature in that it will not cost the American taxpayer a single cent.

Fiscal year 1969 marks the 15th year that the Bureau of Federal Credit Unions has operated solely on funds received from Federal credit unions for chartering and supervisory services. Since fiscal 1954, Congress has not appropriated funds for administering the Federal credit union program.

This legislation makes no change in such a procedure. An independent National Credit Union Administration would continue to be supported entirely by fees assessed for chartering, examining, and supervising Federal credit unions. These fees, I emphasize, would be paid by the Federal credit unions themselves. Not only would the National Credit Union Administration be an independent agency—it would also be a financially independent agency supported entirely by the Federal credit unions which it serves.

Federal Government cost is therefore not a consideration in this measure. Congressional appropriations are not required. The taxpayer's dollar will not be called upon to support this independent supervisory agency.

Certainly Federal credit unions who will pay the cost of this agency and who desire an independent National Credit Union Administration deserve to have the prestige, the recognition, and the equality which an independent agency will give them. And in this day and age when a great movement is financially independent of government subsidy and appropriations, it certainly deserves to have this legislation enacted into law.

Mr. MOORHEAD. Mr. Speaker, it is inconceivable to me that 10 million Americans belonging to some 12,700 Federal credit unions who pay the entire bill for their own supervisory agency should not have that agency elevated to an independent status in accordance with their desires.

Federal credit unions have made it abundantly clear that they desire an independent agency which will be on a par with the supervisory agencies of other federally chartered financial institutions. Certainly Federal credit unions are entitled to the independence, recognition, prestige, and responsiveness which a National Credit Union Administration would provide.

Since fiscal year 1954, the present supervisory agency, the Bureau of Federal Credit Unions, has operated solely on funds assessed Federal credit unions for chartering, examining, and supervisory services. The administration of the Federal credit union program has not required appropriated funds for the past 15 years. This policy of self-support would be continued under the legisla-

tion contained in H.R. 2. A National Credit Union Administration would be entirely supported by the Federal credit unions themselves. The American taxpayer would have no expense whatsoever.

Furthermore, this legislation provides a means by which the Federal credit unions could have a greater voice in the administration of their own affairs through a Board of Governors appointed by the President from the various geographical Federal credit union regions. Certainly the people who pay the bill for the administration and operation of the Federal credit union program are entitled to have a greater voice than they now have in the policies and administration of their program.

I think this legislation represents a reasonable recognition of the importance of the credit union movement and its role in our socioeconomic life. Federal credit unions have reached the stage of maturity where they deserve such recognition as an independent National Credit Union Administration.

Mr. BRASCO. Mr. Speaker, since the Federal Credit Union Act was passed in 1934, Federal credit unions have grown until today they number over 12,700 with over 10 million members. The credit union movement as a whole, both Federal and State chartered, represents the fourth largest financial type institution in our Nation based on asset size.

Yet Federal credit unions alone of our federally chartered financial institutions do not have an independent supervisory agency, such as banks and savings and loan associations have. The Bureau of Federal Credit Unions is buried at a third echelon level of the Department of Health, Education, and Welfare under the Social Security Administration. At this organizational level, it is well isolated in our Federal hierarchy. This isolation results in a lack of responsiveness, both to the Federal credit unions and to the Congress itself.

The Director of the Bureau of Federal Credit Unions in making major policy decisions must secure approval both from the head of the Social Security Administration and from the Secretary of the Department of Health, Education, and Welfare, after going through channels of numerous assistants to the Secretary. An example of this isolation is the fact that the House Banking and Currency Committee asked in writing for departmental comments on the independent agency bill some 18 months ago. The correspondence was ignored during that long period until the committee held hearings on H.R. 2 in the latter part of June of this year. At that time, the Secretary of Health, Education, and Welfare delegated the Commissioner of the Social Security Administration to appear before the committee and present testimony on the bill. Obviously these points emphasize the fact that the Bureau is actually a stepchild in the Department of Health, Education, and Welfare organization. This definitely contributes to the unnecessarily time-consuming and cumbersome procedures which the Bureau must follow in establishing major policies.

The responsiveness of the Bureau to urgent requirements of the Federal credit union movement is shackled by this same procedure in securing approval of various policy matters. Certainly an institution of over 10 million members, such as the Federal credit unions of this Nation have, is entitled to greater responsiveness and undivided attention which would result from an independent supervisory agency.

Mr. RODINO. Mr. Speaker, in considering H.R. 2, a bill to create an independent credit union supervisory agency, I am struck with the fact that Federal credit unions are supervised by a bureau buried at the third-echelon level in the Department of Health, Education, and Welfare. On the other hand, other federally chartered financial institutions, such as banks and savings and loan associations, have their own independent supervisory agency.

What makes this all the more unrealistic is that there are more federally chartered credit unions than all the other federally chartered financial institutions combined. With over 12,000 Federal credit unions in this country boasting of over 10 million members, it seems unreasonable that our Federal credit unions should not be given the same recognition and dignity of other financial institutions.

This bill merely elevates the Bureau of Federal Credit Unions to independent agency status as the National Credit Union Administration. It does not change the Federal Credit Union Act in any other particular.

This bill has my support and I urge its passage because it gives long overdue recognition to the Federal credit unions of this country by elevating the supervisory agency to independent status, thus giving it the prestige the Federal credit union program deserves.

Mr. MINISH. Mr. Speaker, since 1965 I have been privileged, on a number of occasions, to serve as chairman of a special subcommittee of the Domestic Finance Subcommittee of the House Banking and Currency Committee, to investigate credit problems faced by servicemen both at home and abroad.

Chairman PATMAN has mentioned briefly some of the problems that we uncovered in our investigations. He also mentioned that by establishing credit unions, we were able to overcome many of these problems. I concur wholeheartedly in what Chairman PATMAN has said. I support H.R. 2 as I would support any legislation that would facilitate the operation of credit unions. Given the latitude of operation which they deserve and by freeing them from bureaucratic apron-strings, the credit unions can go a long way toward solving the economic problems of our servicemen, our low-income families, and the little man who finds that no matter how hard he works, his paycheck never seems to go far enough.

In 1967, the Department of Defense published its first directive dealing with credit unions. It was a strong directive. Just recently, the Department of Defense republished this directive to give added strength and to make certain that credit unions would be established wherever there was a need.

Mr. Speaker, in the past 3 years, I have visited a large number of major military installations throughout the world. Almost without exception, I found support and a need for a credit union at every one of these installations. This support came from servicemen of all ranks from privates to generals. Because of the support received for credit unions, the work of the subcommittee and the constant efforts of Chairman PATMAN, the Department of Defense launched a program of opening credit unions at military installations overseas. To illustrate how successful these credit unions have been and the reception they have received from servicemen, I would like to quote from the special subcommittee's report of October 1968, regarding the credit union operations in Germany:

> When the subcommittee visited the Pease Air Force Credit Union at Ramstein, the office was completely jammed with servicemen and their dependents waiting to deposit funds, apply for loans, or obtain credit counseling. It was estimated that there were nearly 50 people in the credit union at the time of the committee's visit. When the subcommittee visited the Andrews Air Force Base Credit Union at Weisbaden, it was 8:30 in the morning, an hour prior to the credit union's opening of its business day. There were already several servicemen waiting in line to get into the credit union and by the time the credit union opened its doors, there were 29 servicemen and their dependents standing in line. These two incidents, the subcommittee was informed by military and credit union officials, are typical of the situations that are occurring at all of the credit unions and clearly demonstrate the need and acceptability of credit union service among our military personnel stationed in Germany.

I think it is important that Members of the House are made aware of how much good the credit unions are doing for our troops. The following section of the subcommittee's October report states the case quite clearly:

> Without exception, every officer or enlisted man who testified before the subcommittee indicated that the operation of American credit unions in Germany was a great boost to the morale of the troops. Maj. Gen. Robert Ferguson, Commander of West Berlin, when asked as to the effect that the credit union in Berlin had on U.S. servicemen, replied "Just the fact that the credit union is here is a great morale booster. The troops now know that they do not have to go to loan sharks in order to get money." It should be noted that General Ferguson was the first member to join the credit union when it opened its doors in West Berlin. And, General Ferguson did not become merely a token member, since his initial deposit was $500.
>
> When the subcommittee visited Ramstein Air Base, Col. Winston Anderson, Vice Wing Commander of the 26th Tactical Reconnaissance Squadron, said that "the credit union provides a great morale lift to the troops and has made an important contribution to my men." Colonel Anderson pointed out that there had been instances of low morale because of debt problems prior to the credit union's opening but that these situations had been corrected by the credit union's operation. He also explained that the credit union provided a terrific initial morale boost to his troops because the stateside manager of the Pease Air Force Base Credit Union, Mr. Richard Grant, when he visited Ramstein to discuss a site for the credit union, made several loans to airmen prior to the official opening of the credit union. According to Colonel Anderson, this type of interest in the troops expressed by Mr. Grant and the credit union, made a lasting impression upon the airmen at Ramstein.

Lt. Gen. Andrew Boyle, Commander of the V Corps in Frankfurt, told the subcommittee that his area desperately needed a credit union since it was too far for the average serviceman to go to Wiesbaden, approximately 30 miles away, in order to get credit union service. General Boyle pointed out that in Frankfurt alone, there are 50,000 American servicemen and civilian Department of Defense employees eligible for credit union membership and when the Frankfurt suburban areas are included, that figure is increased to 80,000 or 90,000. General Boyle said that his men have been borrowing from finance companies in the area and although their rates are extremely high, their contracts are all legal. He expressed a desire to obtain credit union service so as to cut the cost of borrowing for his men. General Boyle said "credit unions are for the soldier. He knows he can get advice and counseling at the credit union and will not get a hard sell." General Boyle added that it was important to get a credit union because the serviceman in need of money, whether for an emergency or a frivolous purchase, will go to wherever he can get the funds and he is not worried about the interest rate at that time. It is partly because of the impulse borrowing that General Boyle feels his area needs a credit union.

It should be noted that during its hearings at Wiesbaden Air Base, the subcommittee stressed the view presented by General Boyle as to the need for a credit union in the immediate Frankfurt area. The manager of the Andrews Air Force Base Credit Union, which services Wiesbaden on a direct basis and also has Frankfurt in its geographical territory, said that arrangements were being made to establish a satellite office of the credit union in Frankfurt. The subcommittee feels that based upon the large Department of Defense civilian and troop concentration in the immediate Frankfurt area, that if a satellite office of the Andrews Air Force Base Credit Union is not satisfactory as far as providing full credit union service, that consideration should be given to opening a seventh credit union in Germany with its main suboffice in Frankfurt.

Brig. Gen. William McDonald, Chief of Staff of the U.S. Air Force in Europe, told the subcommittee that since credit unions had opened at European Air Force installations, and the Department of Defense had cracked down on debt practices, the Air Force Inspector General has had the fewest number of debt complaints from airmen of any 18-month period. When General McDonald was asked if the credit union helped morale, he answered: "It is difficult to set a yardstick to measure morale, but I do know that if I don't get any complaints and don't have any problems, I know that the morale of my men is up." In discussing what credit unions have meant in terms of reduction of debt complaints, a legal officer in USAFE Headquarters commented, "I have seen a revolution. There used to be numerous complaints about sharp practice operators and high-rate finance companies gouging the servicemen. We seldom get such complaints anymore." A sergeant at the hearing in Wiesbaden said that the credit union was an invaluable tool in the work of the first sergeants since they could send men with debt problems to the credit union for counseling and if loans were necessary in order to bail a man out of trouble, they could be obtained from the credit union at a reasonable interest rate.

Col. Norbert Treacy, commanding officer of Wiesbaden Air Force Base, told the subcommittee that they have had no real debt problems concerning sharp practice companies in 2 years. He said that he realized that there had been a great deal of problems in the Wiesbaden area during the subcommittee's earlier visit but that for the past 2 years, there has been a heavy emphasis on personal counseling of servicemen, as well as their wives. Colonel Treacy said that he was highly pleased with the operation of the credit union, and that although the credit union started slowly, "as soon as the word spread to the troops, it grew very rapidly."

Col. Fred Field, whose command includes the installations in Furth and Wurzburg, told the subcommittee that there are still some high-rate finance companies operating outside the gates of the military installations but they do not present any problems now that the credit unions have gone into operation. Colonel Field added that although there had been some respectable credit facilities in Europe, such as American Express, prior to credit unions that credit unions were the ideal setup since the average soldier could not obtain a loan from American Express.

Mr. Speaker, an independent agency will allow credit unions not only to continue the outstanding work that they are performing but will free those charged with regulating credit unions from having to sell their programs to an agency totally devoid of credit union expertise and, in some cases, interest.

Based on the support alone that credit unions have given our servicemen, I feel that there is enough justification for an independent agency. But when you consider all of the other areas in which credit unions have performed so admirably and the fact that this legislation will not result in the expenditure of any taxpayers' funds, I find that it is one of the easiest bills to vote aye on that I have cast a vote for during my terms in Congress.

Mr. GONZALEZ. Mr. Speaker, I wish to emphasize that H.R. 2 would not create another Government agency per se—it would merely elevate the existing Bureau of Federal Credit Unions to independent status as the National Credit Union Administration. It will place Federal Credit Unions, of which there are more than all other federally chartered financial institutions combined, under an independent agency which would provide a status similar to that enjoyed by banks and savings and loan associations.

Creation of a National Credit Union Administration as an independent agency is not a step toward expanding the role of Federal Credit Unions in relation to other financial institutions. It would merely improve their prestige and status and give deserved recognition to the 10 million-plus Americans who are Federal Credit Union members. Only Congress can change the Federal Credit Union Act and the powers it grants to the supervisory agency for Federal Credit Unions. By elevating the Bureau of Federal Credit Unions to independent status, we are not giving the agency or Federal Credit Unions any additional authority, privileges, or operational changes. Congress alone can change the Federal Credit Union Act, and any major changes in credit union legislation must be made by legislation passed by the Congress.

Actually this legislation will enhance congressional influence over Federal credit unions since it establishes a Board of Governors of the National Credit Union Administration which is required by the legislation to submit an annual report to the President for transmission to the Congress together with recommendations, including recommendations for changes in the Federal Credit Union Act. Such a report is not now required of the Bureau of Federal credit unions which only infrequently submits legislative recommendations. With such an advisory board, the National Credit Union Administration will have a direct pipeline of information from the field informing it of the needs and desires of Federal credit unions for changes in the Federal Credit Union Act. With this improved communication of experience data from the field, certainly the independent supervisory agency will be in a far better position to serve more effectively the over 12,000 Federal credit unions which it supervises.

I support passage of H.R. 2 for these reasons. It should provide an agency more responsive to the needs of Federal credit unions in this technological age, as well as providing Congress better information upon which to exercise our legislative obligations.

Mr. GETTYS. Mr. Speaker, one of the features of H.R. 2 which would elevate the Bureau of Federal Credit Unions to an independent agency status as the National Credit Union Administration is the provision which would establish a Board of Governors to advise, consult with, and give guidance to the Administrator on matters of policy. Such a Board of Governors would be composed of members appointed by the President from the various Federal credit union regions of the country. This would provide representation of Federal credit unions on a broad geographical basis. It would also provide for an expression of ideas and needs from the grassroots level to the supervisory agency. This is a feature which is woefully lacking in the present status of the Bureau of Federal Credit Unions.

All too frequently Federal credit unions and Federal credit union leaders are not consulted on major policy matters to secure their reactions, their advice, or their comments.

A case in point is the consolidation of certain Federal credit union regions which was effected in January of this year. At that time, the Department of Health, Education, and Welfare issued a directive which eliminated three Federal credit union regions by consolidating them into other existing regions. The New York region was absorbed in the Boston region; the Charlottesville, Va., region was absorbed into the Harrisburg, Pa., region; and the Kansas City, Mo., region was merged into the Dallas, Tex., region which was then moved from Dallas to Austin. This major reorganization which directly affected hundreds of Federal credit unions came as a complete surprise to them and to the credit union organizations representing them. Not one single Federal credit union nor one single credit union organization was informed of, or consulted with, on this action, prior to the issuance of the directive. The people and organizations directly concerned and who underwrite all the expenses of the Bureau of Federal Credit Unions were completely ignored on this matter. This arbitrary action was taken in a strictly bureaucratic manner.

A National Credit Union Administration with a Board of Governors representing the various Federal credit union regions in this country would eliminate actions such as this by giving varied reactions to such a far-reaching proposal. The Board of Governors would be able to bring a wealth of experience and background in credit union problems and attitudes to such major policy decisions. The members of such a Board of Governors would certainly give a much broader base of experience and viewpoints to guide a Federal credit union supervisory agency in the performance of its mission.

The requirement in H.R. 2 that the Board of Governors make an annual report to the President for submission to the Congress is another feature which will insure that Congress is informed on the problems and needs regarding legislative actions. Under the present setup no such report is submitted to the Congress, nor is the Bureau of Federal Credit Unions, in itself, directly answerable to the Congress for its actions.

Not only will H.R. 2 provide for an infusion of opinion from grassroots Federal credit unions into supervisory agency policymaking, but it will also insure more information to the Congress as well as more control by the Congress of Federal credit union policies and regulations.

Mr. DORN. Mr. Speaker, one of the important features of the bill—H.R. 2—elevating the Bureau of Federal Credit Unions to an independent agency status, is the fact that it provides a means for making the supervisory agency more responsive to the needs of the Federal credit union movement and the desires of Congress.

At the present time, the Bureau of Federal Credit Unions is more or less isolated in its communication with the Federal credit unions which it serves. This bill would create a Board of Governors who would be named by the President "by and with the advice and consent of the Senate" to serve for 6 year terms. The members of the Board of Governors would be appointed to represent each Federal credit union region in the United States. Thus, the independent supervisory agency would, in effect, have constant contact with the problems and need of Federal credit unions.

The Board of Governors, being composed of members representing broad geographical regions of the country, would be in a position to communicate and influence policy of the National Credit Union Administration.

At present, no such representation of Federal credit unions exists in relation to the Bureau of Federal Credit Unions. Only an informal liaison committee of CUNA International exists to bridge the communications gap between the Federal credit union movement and the Bureau. At best, this is inadequate.

The provision in this bill to create a Board of Governors to "advise, consult with, and give guidance to the Administrator on matters of policy" fills a long-standing need for closer relationships between the Federal credit union supervisory agency and the Federal credit unions which it supervises and serves.

Furthermore, I should like to point out one additional feature of such a Board of Governors. Under this legislation, the Board will be required to make an annual report to the President for submission to the Congress. In this report, the Board is required to summarize the activities of the National Credit Union Administration and to make recommendations to the Congress which it may deem appropriate. Obviously, this gives the Congress greater insight into the Federal credit union program than it now has and insures that the Congress will retain absolute control of the Federal credit union program.

Mr. BURLISON of Missouri. Mr. Speaker, H.R. 2 would create a National Credit Union Administration which would be headed by an Administrator who will be appointed by the President with the advice and consent of the Senate. The Administrator will be under the direct control of a board of governors representing membership from each Federal Credit Union region, plus a chairman to be appointed at large. Members of the board will be appointed by the President, by and with the advice and consent of the Senate. The members of the board will serve for a 6-year period, while the Administrator, in order to insure continuity with the President, shall serve at the pleasure of the President.

The National Credit Union Administration will be responsible for the regulation, supervision, and examination of Federal Credit Unions, and will perform all of the functions presently carried on by the Bureau of Federal Credit Unions.

One of the most important aspects of this legislation is that the establishment of the administration will not cost the taxpayers a single penny nor result in any appropriations by Congress, since all the operating costs of the agency will be borne by fees and assessments paid by the more than 12,000 Federal Credit Unions in the United States. For more than 15 years, the supervision and regulation of credit unions has been carried out without any expense to the taxpayers. In short, all costs of operating the National Credit Union Administration will be borne directly by credit union fees and assessments.

There are more credit unions in the United States—23,625—than all other financial institutions combined. And, there are more federally chartered credit unions, 12,689, than all other financial institutions chartered by the Federal Government. There are more than 20 million credit union members in the United States with savings in their institutions of more than $14 billion. More than half of the total membership and assets of the credit unions belong to federally chartered credit unions. Yet, despite the magnitude of credit unions, the regulation and supervision of these extremely worthwhile financial institutions lies buried in the Bureau of Federal Credit Unions, which operates at the third tier in the governmental organizational structure. The Bureau of Federal Credit Unions is a subagency of the Social Security Administration, which, in turn, is a subagency within the Department of Health, Education, and Welfare. The Director of the Bureau of Federal Credit Unions does not report directly to the Secretary of the Department of Health, Education, and Welfare, but instead must function through the Social Security Administration. The Bureau of Federal Credit Unions is not provided with full-time legal counsel but must depend on part-time legal help obtained from other sections of the Social Security Administration. This clearly is not an example of how a governmental agency, charged with such a great responsibility, should operate.

The Federal Credit Union Act was passed by Congress and signed into law in June of 1934. The first Federal credit union was chartered on October 1, 1934, by the Federal Credit Union Section which was established in the Farm Credit Administration. Federal credit union supervision and regulation was under the Farm Credit Administration until May 15, 1942, at which time there were approximately 4,100 credit unions with more than 1.3 million members. In May of 1942, Federal credit union regulation was transferred from the Farm Credit Administration to the Federal Deposit Insurance Corporation. For the next 6 years, under the FDIC, the Federal credit union program, rather than growing, actually decreased to 3,800 credit unions, although total membership increased by about 200,000. On July 28, 1948, the Bureau of Federal Credit Unions was established and transferred to the then Federal Security Agency, a forerunner of the present Department of Health, Education, and Welfare.

During the 35-year history of the Federal credit union program, regulation of Federal credit unions has been shuffled from one agency or department to another. Credit unions have earned and deserve the right to be regulated and supervised by an agency charged solely with overseeing Federal credit unions. The Bureau of Federal Credit Unions has consistently operated as a stepchild within the Federal Government. The upgrading of this agency to the status that it has earned is long overdue.

The Department of Health, Education, and Welfare, while agreeing that the status of the Federal credit union program within the Federal Government needs upgrading, opposed the enactment of H.R. 2 for the following reasons: First, the location of the credit union program in the Social Security Administration of the Department of Health, Education, and Welfare, has not hindered the growth of Federal credit unions; second, by being a part of the Department of Health, Education, and Welfare, the Bureau of Federal Credit Unions is better able to coordinate programs designed to improve the economic and social security of the American people; and, third, the establishment of another independent agency is not desirable from an administrative management point of view.

The objections are vastly outweighed by the need for a National Credit Union Administration.

While it can be pointed out that the number of credit unions has increased under the present location of the Bureau of Federal Credit Unions, it is felt that if there had been a separate credit union

agency during the period the Bureau of Federal Credit Unions has been under control of the Department of Health, Education, and Welfare and its predecessor agencies, the growth of the Federal credit union movement would have been equal to, if not greater, than the records established under the present arrangement.

The growth of the credit union movement is a tribute to the thousands of volunteer workers throughout the country who have formed credit unions and the millions of volunteers who operate these credit unions rather than the fact that Federal credit union supervision falls within the jurisdiction of the Department of Health, Education, and Welfare.

The innovative programs, such as Project Moneywise, which provides economic and consumer training for credit union leaders in low-income areas, are commendable efforts on the part of the Bureau of Federal Credit Unions. However, both Mr. Robert M. Ball, Commissioner of Social Security of the Department of Health, Education, and Welfare, and Mr. J. Deane Gannon, Director of the Bureau of Federal Credit Unions, told the committee that the programs such as Project Moneywise could be continued within the framework of an independent credit union agency. The objection to H.R. 2 on the grounds that such programs would not receive the coordination needed to carry them on, is not valid.

Mr. Speaker, as evidenced above, the Committee on Banking and Currency feels that a strong case has been made for creation of an independent Federal agency for supervision of federally chartered credit unions. I wish to echo those sentiments and feel that this legislation will be a forward step in serving those valuable members of our Federal service who participate in the Federal credit union movement.

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 passage of the bill.

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

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

The SPEAKER. 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 357, nays 10, not voting 65, as follows:

[Roll No. 126]

YEAS—357

Abernethy	Anderson, Tenn.	Barrett
Adair	Andrews, Ala.	Beall, Md.
Adams	Annunzio	Belcher
Addabbo	Arends	Bell, Calif.
Albert	Ashley	Betts
Alexander	Aspinall	Bevill
Anderson, Calif.	Ayres	Biester
Blackburn	Goodling	Natcher
Blanton	Gray	Nedzi
Boggs	Green, Oreg.	Nichols
Boland	Green, Pa.	Nix
Bolling	Griffin	Obey
Brademas	Griffiths	O'Hara
Brasco	Grover	O'Konski
Bray	Gubser	Olsen
Brinkley	Gude	O'Neal, Ga.
Brooks	Hagan	O'Neill, Mass.
Broomfield	Haley	Ottinger
Brotzman	Hamilton	Passman
Brown, Calif.	Hammer-schmidt	Patman
Brown, Ohio	Hanley	Pelly
Broyhill, N.C.	Hanna	Pepper
Broyhill, Va.	Hansen, Idaho	Perkins
Buchanan	Hansen, Wash.	Philbin
Burke, Mass.	Harsha	Pickle
Burleson, Tex.	Harvey	Pirnie
Burlison, Mo.	Hathaway	Poage
Burton, Calif.	Hays	Podell
Bush	Hechler, W. Va.	Poff
Button	Heckler, Mass.	Pollock
Byrne, Pa.	Helstoski	Preyer, N.C.
Byrnes, Wis.	Henderson	Price, Ill.
Cabell	Hicks	Price, Tex.
Caffery	Hogan	Pryor, Ark.
Camp	Horton	Pucinski
Carter	Hull	Purcell
Casey	Hungate	Quie
Cederberg	Hunt	Quillen
Chamberlain	Hutchinson	Railsback
Chappell	Ichord	Randall
Clancy	Jacobs	Rees
Clark	Jarman	Reid, Ill.
Clawson, Del	Joelson	Reid, N.Y.
Clay	Johnson, Calif.	Reifel
Cleveland	Jonas	Reuss
Cohelan	Jones, Ala.	Rhodes
Collier	Jones, N.C.	Riegle
Collins	Jones, Tenn.	Rivers
Colmer	Karth	Roberts
Conable	Kastenmeier	Robison
Conte	Kazen	Rodino
Corbett	Kee	Rogers, Colo.
Coughlin	Keith	Rogers, Fla.
Cowger	Kleppe	Ronan
Cramer	Kluczynski	Rooney, N.Y.
Culver	Koch	Rosenthal
Daddario	Kuykendall	Rostenkowski
Daniel, Va.	Kyros	Roth
Daniels, N.J.	Landrum	Roudebush
Davis, Ga.	Langen	Roybal
Davis, Wis.	Latta	Ruth
de la Garza	Leggett	Ryan
Delaney	Lennon	Satterfield
Dellenback	Long, Md.	Saylor
Denney	Lowenstein	Schadeberg
Dent	Lukens	Scheuer
Derwinski	McCarthy	Schneebeli
Devine	McClory	Schwengel
Diggs	McCloskey	Scott
Dingell	McClure	Sebelius
Donohue	McCulloch	Shipley
Dorn	McDade	Shriver
Dowdy	McDonald, Mich.	Sikes
Downing	McEwen	Sisk
Dulski	McFall	Slack
Duncan	McKneally	Smith, Calif.
Dwyer	McMillan	Smith, Iowa
Eckhardt	Macdonald, Mass.	Smith, N.Y.
Edmondson	Madden	Snyder
Edwards, Ala.	Mahon	Springer
Edwards, La.	Mailliard	Stafford
Eilberg	Mann	Staggers
Erlenborn	Marsh	Stanton
Esch	Martin	Steed
Evans, Colo.	Matsunaga	Steiger, Ariz.
Farbstein	May	Steiger, Wis.
Fascell	Mayne	Stephens
Feighan	Meeds	Stokes
Findley	Melcher	Stubblefield
Fish	Meskill	Sullivan
Fisher	Michel	Symington
Flood	Mikva	Taft
Flowers	Miller, Calif.	Talcott
Flynt	Miller, Ohio	Taylor
Foley	Mills	Teague, Calif.
Ford, Gerald R.	Minish	Thompson, Ga.
Foreman	Mink	Thompson, N.J.
Fountain	Mize	Thomson, Wis.
Fraser	Mizell	Tiernan
Frelinghuysen	Monagan	Tunney
Frey	Montgomery	Udall
Friedel	Moorhead	Ullman
Fulton, Pa.	Morgan	Utt
Fulton, Tenn.	Morse	Van Deerlin
Fuqua	Morton	Vander Jagt
Galifianakis	Mosher	Vanik
Gaydos	Moss	Vigorito
Gettys	Murphy, Ill.	Waggonner
Giaimo	Murphy, N.Y.	Waldie
Gibbons	Myers	Wampler
Gilbert	Natcher	Watson
Goldwater	Nedzi	Watts
Gonzalez	Nichols	Weicker
Whalen	Winn	Wyman
White	Wold	Yatron
Whitehurst	Wolff	Young
Widnall	Wright	Zablocki
Wiggins	Wyatt	Zion
Williams	Wydler	Zwach
Wilson, Bob	Wylie	

NAYS—10

Bennett	Gross	Rarick
Biaggi	Hall	Scherle
Burke, Fla.	Kyl	
Dennis	Pike	

NOT VOTING—65

Abbitt	Edwards, Calif.	MacGregor
Anderson, Ill.	Eshleman	Mathias
Andrews, N. Dak.	Evins, Tenn.	Minshall
Ashbrook	Fallon	Mollohan
Baring	Ford, William D.	Nelsen
Berry	Gallagher	Patten
Blatnik	Garmatz	Pettis
Bow	Halpern	Powell
Brock	Hastings	Rooney, Pa.
Brown, Mich.	Hawkins	Ruppe
Burton, Utah	Hébert	St Germain
Cahill	Holifield	St. Onge
Carey	Hosmer	Sandman
Celler	Howard	Skubitz
Chisholm	Johnson, Pa.	Stratton
Clausen, Don H.	King	Stuckey
Conyers	Kirwan	Teague, Tex.
Corman	Landgrebe	Watkins
Cunningham	Lipscomb	Whalley
Dawson	Lloyd	Whitten
Dickinson	Long, La.	Wilson, Charles H.
	Lujan	Yates

So the bill was passed.

The Clerk announced the following pairs:

Mr. Holifield with Mr. Bow.
Mr. Celler with Mr. Lipscomb.
Mr. Long of Louisiana with Mr. Watkins.
Mr. Kirwan with Mr. Hosmer.
Mr. Hébert with Mr. Cahill.
Mr. Evins of Tennessee with Mr. Andrews of North Dakota.
Mr. St. Onge with Mr. Ashbrook.
Mr. Charles H. Wilson with Mr. Don. H. Clausen.
Mr. Yates with Mr. Brock.
Mr. Abbitt with Mr. Berry.
Mr. Carey with Mr. Minshall.
Mr. Howard with Mr. Eshleman.
Mr. Patten with Mr. King.
Mr. St Germain with Mr. Hastings.
Mr. Gallagher with Mr. Brown of Michigan.
Mr. Garmatz with Mr. Johnson of Pennsylvania.
Mr. William D. Ford with Mr. Powell.
Mr. Edwards of California with Mr. Landgrebe.
Mr. Blatnik with Mr. Lloyd.
Mr. Teague of Texas with Mr. Anderson of Illinois.
Mr. Fallon with Mr. Devine.
Mr. Stratton with Mr. Mathias.
Mr. Hawkins with Mr. Halpern.
Mr. Corman with Mr. Conyers.
Mr. Baring with Mr. Burton of Utah.
Mr. Stuckey with Mr. Lujan.
Mr. Whitten with Mr. Cunningham.
Mr. Dawson with Mrs. Chisholm.
Mr. Mollohan with Mr. MacGregor.
Mr. Nelsen with Mr. Pettis.
Mr. Sandman with Mr. Ruppe.
Mr. Whalley with Mr. Skubitz.

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

PROPOSED INCREASES IN THE EDUCATION APPROPRIATION

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

Mr. JOELSON. Mr. Speaker, when the House considers the appropriation bill for the Departments of Labor, and Health, Education, and Welfare this week, I intend to propose increases for education. In order that my colleagues may be informed about the nature of my proposal, I insert a chart, which follows:

PROPOSED INCREASES FOR EDUCATION

[In thousands]

Item number, program	Fiscal year 1969, appropriations	Fiscal year 1970, package	Over House committee	Increase over fiscal year 1969
1. Impact aid	$505,900	$585,000	$398,000	$79,100
2. ESEA title II, school library	50,000	50,000	110,453	0
3. NDEA title III, equipment	78,740	78,740		0
4. NDEA title V, guidance and counsel	17,000	17,000		0
5. ESEA title III, supplemental centers	164,876	164,876		0
6. Vocational education	248,216	488,716	331,500	240,500
7. Higher education construction, 4 year undergraduate	33,000	33,000	33,000	0
8. NDEA student loan	193,400	229,000	40,794	35,600
9. Title I, ESEA	1,123,127	1,396,975	180,800	273,848
Total	2,414,259	3,043,307	894,547	629,048

EXPLANATION FOR INCREASES

1. To provide sufficient funds for 90% of the authorization.
2. To provide funds equal to the amount appropriated in fiscal year 1969.
3. To provide funds equal to the amount appropriated in fiscal year 1969.
4. To provide funds equal to the amount appropriated in fiscal year 1969.
5. To provide funds equal to the amount appropriated in fiscal year 1969.
6. To provide additional funds to meet urgent needs in vocational education.
7. To provide funds equal to the amount appropriated in fiscal year 1969.
8. To provide necessary funds for increased demand for student loans.
9. To restore diminished funds for grants to local educational agencies resulting from amendments adding additional participating agencies and to offset increases in program costs.

Mr. Speaker, The above increases are endorsed by a group known as the Emergency Committee for Full Funding, which is composed of the following list of organizations:

Academy For Educational Development, 1424 16th St., NW.

AFL–CIO, 815 16th St., NW.

American Association for Health, Physical Education and Recreation, 1201 16th St., NW.

American Association of Junior Colleges, 1315 16th St., NW.

American Association of School Administrators, 1201 16th St., NW.

American Association of State Colleges and Universities, 1785 Massachusetts Ave., NW.

American Association of University Women, 2401 Virginia Ave., NW.

American Council of Education, 1785 Massachusetts Ave., NW.

American Educational Research Association, 1126 16th St., NW.

American Federation of Teachers, 1012 14th St., NW.

American Industrial Arts Association, 1201 16th St., NW.

American Library Association, The Coronet—200 C St., SE.

American Personnel and Guidance Association, 1607 New Hampshire Ave., NW.

American Society for Public Administration, 1225 Connecticut Ave., NW.

American Vocational Association, 1510 H St., NW Suite 300.

Appalacia Educational Lab, Box 1348, 1031 Quarter St., Charleston, W. Virginia 25325.

Association for Children With Learning Disabilities, 627 Allison St., NW.

Association of American Colleges, 1818 R St., NW.

Association of American Law Schools, 1521 New Hampshire Ave., NW.

Association of Classroom Teachers—NEA, 1201 16th St., NW.

Association of Research Laboratories, 1527 New Hampshire Ave., NW.

Association of School Business Officials, 2424 W. Lawrence Ave., Chicago, Illinois 69625.

Catholic Library Association, Trinity College Library.

Center For Urban Education, 105 Madison Ave., New York, New York 10016.

Central Midwestern Regional Educational Laboratories, Inc., 10646 St. Charles Rock Road St., St. Ann, Missouri.

Chief State School Officers, 1201 16th St., NW.

Committee for Community Affairs, 1000 Wisconsin Ave., NW.

Conference of Large City Boards of Education of New York State, 111 Washington Ave., Albany, New York.

Council for Advancement of Small Colleges, 1346 Connecticut Ave., NW.

Council of Graduate Schools, 1875 Massachusetts Ave., NW.

Department of Elementary School Principals, 1201 16th St., NW.

Educational Commission of States, 1860 Lincoln St., Denver, Colorado.

Educational Task Force, Washington Interreligious Staff Council, 2633 16th St., NW.

Far West Laboratory for Educational Research and Development, One Garden Circle, Hotel Claremont, Berkeley, California.

Jesuit Educational Association, 1717 Massachusetts Ave., NW.

Lutheran Council in the USA, 2633 16th St., NW.

Memphis City Schools, 2597 Avery, Memphis, Tennessee.

Michigan-Ohio Regional Education Laboratories, 3750 Woodward, Detroit, Michigan 48201.

Mid-Continent Regional Education Laboratories, 104 E. Independence, Kansas City, Missouri.

National Association of Independent Schools, Four Liberty Square, Boston, Massachusetts 02109.

National Association of Secondary School Principals, 1201 16th St., NW.

National Association of State Boards of Education, 604 Circle Drive, Bryan, Ohio 43506.

National Association of State Universities & Land Grant Colleges, 1785 Massachusetts Ave., NW.

National Catholic Education Association, 1785 Massachusetts Ave., NW.

National Commission for Multi-Handicapped Children, 339 14th St., Niagara Falls, New York.

National Commission for Cooperative Education, 52 Vanderbilt Ave., New York, New York 10017.

National Congress of Parents and Teachers, 9202 Ponce Place, Fairfax, Virginia.

National Council of Catholic Men, 1312 Massachusetts Ave., NW.

National Council of Jewish Women, 1346 Connecticut Ave., NW.

National Education Association, 1201 16th St., NW.

National Faculty Association of Community & Junior Colleges, Room 721, NEA Building.

National School Boards Association, 1616 H St., NW.

New York State Personnel and Guidance Association, State University of New York, 135 Western Ave., Albany, New York.

Northwest Regional Educational Laboratories, 710 S. W. 2nd, Portland, Oregon.

Regional Educational Lab for the Carolinas and Virginia, Mutual Plaza, Chapel Hill & Duke Streets, Durham, North Carolina 27701.

Rocky Mountain Educational Laboratories, 120 24th Ave. Ct., Greeley, Colorado 80631.

Saranac Community Schools, 149 Main St., Saranac, Michigan.

South Central Region Educational Laboratory, P.O. Box 6197, Little Rock, Arkansas.

State University of New York, 1730 Rhode Island Ave., Suite 500.

United Steelworkers of America, 1001 Connecticut Ave., NW.

University of Texas System, 1140 Connecticut.

Upper Midwest Regional Educational Laboratory, 1640 East 78th St., Minneapolis, Minnesota 55423.

Urban Coalition Action Council, 1819 H St., NW.

H.R. 2, SEPARATE FEDERAL CREDIT UNION AGENCY

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

Mr. HANNA. Mr. Speaker, assuming the bill H.R. 2 is considered on today's calendar, 20 million Americans will be recognized. When the House approves the Federal Credit Union Administration bill, 20 million Americans will become first-class citizens of our Nation's financial community.

This event is long overdue. The 23,625 credit unions have a combined savings of $14 billion. All of our Nation's other financial institutions combined do not equal the number of credit unions. More than half of these institutions are federally chartered.

Yet, our policy toward the encouragement and supervision of credit unions has not been consistent with their progress. While the credit union movement has increasingly become an important and vigorous segment of our savings and finance community Federal policy has been one of casual observation by bureaucrats buried deeply in the lower echelons of the organizational chart.

Unfortunately, the history of Federal policy toward credit unions suggests that our Government has considered these institutions the stepchildren of the bureaucracy. During the 35-year history of the Federal credit union program no less than three different agencies have had jurisdiction.

Today, the Federal Bureau of Credit Unions supervises the more than 12,000 federally chartered institutions. This agency is a small branch of the Social Security Administration. The Director of this agency is directly responsible to the Commissioner of Social Security. The Commissioner of Social Security is, of course, in turn responsible to the Secre-

tary of Health, Education, and Welfare. The irony of such a vital and growing organism as the credit union movement being relegated to a subtentacle of the welfare octopus is evident. The results of such unimaginative policy are disheartening.

For example, in the past 5 years the House Committee on Banking has had to initiate more legislation dealing with credit union problems than the Bureau. When the Bureau undertook a major reorganization of its structure no one in the industry was consulted. Although an advisory committee of credit union executives is available the Director of the Bureau can see no real need to consult them more than once a year.

Mr. Speaker, if I may be permitted an indulgence at this point, I would like to make a comment about the question of consultation. Surely, even a casual observer would have noticed the seriously problem-ridden state of the country's financial structure. It is absolutely amazing to me how anyone who is responsible for supervising credit institutions whose assets are in the billions could not see the need, nor have the imagination to realize the necessity of consulting with his advisory council in order to discuss the role credit unions might play in meeting the needs of the market.

During the hearings on H.R. 2, I had the opportunity to question both Social Security Commissioner Ball and Bureau Director Gannon. The questioning led me to this observation and exchange with Banking Committee Chairman PATMAN. I quote it because I believe it highlights the point I am now making:

Mr. HANNA. In terms of the association with HEW * * * it does appear to me that if you look at the history of our handling of particularly the welfare aspects of HEW, that the mentality has been more addressed to lifting problems than to solving problems. And I rather suspect that the dynamics of today would dictate that there are more areas of opportunity in financing for the country that the credit unions could solve if they had a more financial posture. And I would suspect, Mr. Chairman, it was your anticipation this legislation would put them in a position to be more dynamics in terms of helping to solve the problems.

The CHAIRMAN. You are certainly correct, sir.

Perhaps when the first credit union was chartered in 1934 we were able to afford to hold these institutions within a narrow perspective. Perhaps, during the quiet 6-year period when the credit union movement was under the supervision of the Federal Deposit Insurance Corporation we could allow unimaginative policies. Perhaps, even in the early years of the Bureau, the credit union movement did not warrant serious consideration.

Those days, however, are gone. Unfortunately, a great deal of the thinking which guided policy in those days remains. The bill before us today will make our policy toward credit unions relevant to 1969. An independent administration composed of people who know the business and the time will encourage and possibly accelerate the growth of the credit union movement.

One other point needs to be made. Pundits often tell us it is a rare occasion when the Congress does something meaningful for the workingman. No one would deny that this bill offers such an occasion.

The credit union movement in America is a workingman's movement. Credit union roots are deeply imbedded in the wage earning soil. And as is so typical of the strength and honesty of America's workingman their Credit Union Administration will earn its own way. There will be no cost to the taxpayer for the running of the National Credit Union Administration. The credit unions will pay the costs.

These facts, coupled with the unanimous support of credit union movement should persuade every member. I am proud to be a cosponsor of the National Credit Union Administration because I am proud of our Nation's credit unions.

I am hopeful the Congress will give this legislation the overwhelming support it deserves.

MOON CONTAMINATION

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

Mr. THOMPSON of Georgia. Mr. Speaker, our Apollo astronauts are now in quarantine because of the concern of some of our most competent scientists that there may exist on the moon micro-organisms, bacteria or germs which may be harmful to life here on earth. For this reason we have isolated the astronauts for about a 21-day period to determine whether or not they will be affected by any unknown micro-organisms which they may have brought back with them from the moon.

Over the weekend, Mr. Speaker, I read press accounts wherein 14 NASA scientists have been contaminated through exposure to the moon dust and rocks which the astronauts brought back with them.

It appears to me, Mr. Speaker, that if our scientists were sufficiently concerned to require the quarantine of the astronauts who were encased in protective clothing and were constantly breathing filtered oxygen, then we should also be concerned about the effects of the exposure to the 14 NASA scientists who apparently were not so protected. If it is necessary to quarantine our astronauts then it is likewise necessary to quarantine all persons who are exposed to moon dust and rocks until it is determined that there are no harmful elements present which had not yet been determined.

Mr. Speaker, the moon has been with us for eons and we have just now been able to obtain actual samples of the moon. Does it not make sense that these moon samples could have also been quarantined—for a 21-day period—while awaiting the results of the quarantine of the astronauts to determine whether or not any harmful micro-organisms were present?

It is appalling to me that our scientists are so impatient that they could not resist the temptation to immediately start examining these samples until after the results of the quarantine were determined.

It is for this reason, Mr. Speaker, that I have today wired the head of NASA and requested that he immediately place in quarantine all NASA personnel who have become contaminated through contact with the moon dust and rocks and to quarantine the moon samples until it is affirmatively proven that such possible harmful micro-organisms do not exist.

NATIONAL RIFLE ASSOCIATION HAS A FRIEND IN THE WHITE HOUSE

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

Mr. KOCH. Mr. Speaker, it is 6 years since the death of John F. Kennedy; and a little more than a year since the deaths of Martin Luther King, Jr., and Robert F. Kennedy. Those awful events precipitated legislative action providing Federal registration and licensing laws governing the ownership and use of guns. The law that was ultimately passed was wholly inadequate and a victory for the National Rifle Association. That law did not register guns or license gun owners.

It is shocking that the Nixon administration has now publicly stated its opposition to Federal gun registration and the licensing of gun owners. That opposition totally reverses the position of the prior administration. The salient facts which should move the Nixon administration into taking the lead for effective legislation are: First, every 2 minutes in this country someone is killed, maimed, or wounded by the use of a gun; second, since 1900, 800,000 Americans have been killed by guns which is more than all the lives lost in all the wars in U.S. history; and third, every day 10,000 guns are purchased in the United States and there are estimated to be between 100 and 200 million guns in private hands.

In 1968, the survey taken on the subject of gun control showed that 80 percent of the American people favored strong gun laws and that 65 percent of American gun owners favored strong gun laws. The latest statement on this subject by the Nixon administration indicates that the National Rifle Association has been most effective in lobbying not only in Congress but at the highest executive level—the White House itself. Surely it should not take another tragedy and martyrdom to arouse the American public so that this Congress and the President of this country will finally undertake the registration of guns and licensing of gun owners so long and so wrongly deferred.

TEXTILE IMPORT PROBLEMS

The SPEAKER. Under a previous order of the House, the gentleman from Arkansas (Mr. MILLS) is recognized for 40 minutes.

Mr. MILLS. Mr. Speaker, although I recognize that there are import problems involving several different types of construction and production, today I want to talk about only one of these

import problems, and that is the question of textile imports.

Mr. Speaker, I have just seen the latest Government figures on textile imports, and I am shocked at the increasing evidence that this situation is out of control. We now have foreign trade results for 5 months prior to June 1. In that period total imports of cotton, wool, and manmade fiber textiles rose to a new alltime high, despite the dock strike in the early weeks of the year.

The impact of this constantly rising textile import trend on our balance of trade is most serious. In fact, 1957 was the last year in which the United States had a favorable balance on the textile trade account, and our deficit in such trade for 1968 was $1.1 billion. Cotton, wool, and manmade fiber textile imports accounted for more than $800 million of this deficit, and in 1968 alone recorded a $300 million increase. I repeat, in 1 year we experienced a $300 million increase in our textile trade deficit. Obviously, our Government cannot ignore such developments.

The trend is clear: Imports are growing so much more rapidly than the domestic market that we must have a slowing of import growth if a healthy fiber and textile economy is to be maintained in this country. I have had an intense continuing interest in textile trade matters for many years. When the GATT control arrangements on cotton textile trade were developed some 8 years ago, I welcomed them as a reasonable solution to the unfair competitive pressures our cotton textile people were under from overseas producers who benefit from substantially lower wage costs. Unfortunately, no such control arrangements have yet been achieved for wool and manmade fiber textiles, and the results of the cotton arrangement leave a great deal to be desired. For the first 9 months of the seventh long-term arrangement year, cotton textile imports reached an alltime high, even though they are subject to an arrangement of voluntary control.

Manmade fibers today are substantially more than half of our total fiber consumption in this country; and it is precisely in manmade fiber textiles that imports are growing most rapidly. For the first 5 months of 1969, they rose 29 percent over the comparable period in 1968—a 29-percent rise over the comparable period of the year before—and in 1968 they recorded a 54-percent increase over 1967. Yet, there are no reasonable restraints whatsoever on this segment of our textile imports despite the fact that almost all other textile importing countries—I repeat, almost all other textile importing countries—do maintain import controls on such textile trade.

It is in the area of wool textiles that import penetration has been deepest, resulting in an intolerable situation today. Wool textile imports now exceed 25 percent of U.S. consumption—nearly twice the ratio existing as recently as 1961. Such unreasonable growth obviously cannot be permitted to continue.

It has been my hope that reasonable restraints on the imports of wool and manmade fiber textiles could be achieved by international negotiations and I have, therefore, been hoping for the success of the missions which Secretary of Commerce Stans has been conducting in Europe and Asia, looking toward such an agreement. I am very disappointed that up to the present, at least, his statesmanlike approach has not been reciprocated by our overseas trading partners. They are, in my view, being extremely shortsighted in this matter. The pressures for unilateral action for textile import relief are stronger than ever in the Congress and throughout the country.

I have taken the opportunity of discussions with representatives of various foreign governments concerned to stress to them my belief that it would be in their own best interests as well as ours for them to agree to negotiate international control arrangements covering the other fiber articles.

Unless such an agreement is reached by this fall—and I want you to catch the date—unless such an agreement is reached by this fall, I am confident that Congress will act. If the efforts of Secretary Stans to bring about a negotiated arrangement fair to all parties cannot succeed, there is no alternative but for the Congress to legislate on this subject before the end of the present session.

What is required is a new international arrangement making possible the establishment of import restraints on wool, manmade fiber and blended textile articles. Nothing else will suffice. Our textile trade patterns demonstrate clearly that because so many categories of textiles are subject to import penetration, an arrangement with comprehensive coverage is absolutely essential to an equitable solution of our import problem.

It is extremely difficult for me to understand the adamant position of our Japanese friends. Indeed, I believe that if the Japanese would agree to negotiate, the other countries involved would be quite ready to join in the discussions, and it is more than just a belief. Our trade deficit with Japan exceeds that which we have with any other country in the world. As a matter of fact, in some recent years just the increase in Japan's total exports—textiles and others—to the United States was greater than its total exports to any other country in the world. Here is the country with the second highest gross national product in the free world and perhaps the highest annual rate of growth anywhere in the world, and, among the developed nations of the world, Japan probably has the most restrictionist trade and investment policies. Yet, from all indications, it has refused to discuss with us a reasonable solution to our growing textile import problem.

We must have a viable growing textile industry in the United States. We need it as a major source of employment for all of our population groups, particularly in the South for our minority groups who are so employed in such great numbers in this industry whose jobs are now being threatened. We need it as a mainstay of many depressed rural areas of our country. It is located in North and South Carolina, I believe, Mr. DORN, in what is referred to as the Appalachia area.

We need it as a keystone in the prosperity of our cotton farmers and sheepherders, as well as our chemical and machinery industries for each of whom the American textile industry is a very important customer. And, we need it for national security reasons.

For all of these reasons I want to make it quite clear, if I understand the Congress of the United States, we have no intention of letting it go down the drain.

Our need is so great, our objective so reasonable, our resolve so determined, I know we will find a solution to the textile import problem. I hope it will be a negotiated solution, and not one unilaterally reached by Congress, but if any of our trading partners think that we lack the will, the wisdom, and the know-how to pass a unilateral arrangement here in the Congress, they are sadly mistaken. I hope it will not come to that, but I am saying to them that if they do not show more disposition to negotiate with our people who are now in Japan and who have been to the other countries, there is no resort left to the Congress.

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

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

Mr. LANDRUM. Mr. Speaker, as the distinguished chairman of the House Committee on Ways and Means, the gentleman from Arkansas has stated any action contemplated that would lead to controls of skyrocketing imports of textiles should apply to all categories of textile articles of all fibers.

This is absolutely essential in view of the experience of our country in attempting to keep imports of textiles from low-wage nations from flooding our markets and threatening an industry as important as the textile industry of the United States.

Most of you are familiar with the fact that the Geneva long-term arrangement, commonly known as LTA, an international control of exports of cotton textiles, is now in its 7th year. Although this arrangement has not provided the type of restraints we had hoped for, it nevertheless has established a means by which the United States can limit all its cotton textile imports.

In part, as a result of the LTA, there has been a shift abroad from cotton textiles to goods manufactured from manmade fibers and blends. This shift has further intensified the problems of all manufacturers of textiles in this country.

Even under the umbrella of the LTA for cotton textiles, foreign nations often were able to circumvent category limitations and concentrate on particular items to such an extent that certain portions of the industry were badly damaged.

But this was nothing as compared with what foreign textile interests did in shifting to manmade fibers for export.

The imports of manmade fiber yarns, fabrics, and apparel last year—1968—more than quadrupled their level of 1964.

In only 5 years the import total for manmade fiber goods jumped from 328

million equivalent square yards in 1964 to 1,440 million equivalent square yards in 1968. That shows what can be done by foreign exporting nations when there are no restraints whatsoever by our Government on imports. And through May, of this year, imports of manmade fiber textiles were running well ahead of the comparable period in 1968.

During the first 5 months of this year, imports of manmade fiber goods totaled 694.1 million equivalent square yards, as compared with 537.2 million yards in the same period of 1968.

At this rate, the imports of manmade fiber textiles would reach a total of 1,665.8 million square yards by the end of this year. This would mean an increase of 225.8 million yards over 1968.

Our woolen and worsted textile imports continue to maintain the highest degree of market penetration of any. Woolen textile imports constitute 25 percent of our market today. And, while in terms of total volume, wool textile imports may seem relatively small compared with those of cotton and manmade fiber this impact is very great.

The junior Senator from Georgia, Mr. TALMADGE, once aptly described the LTA as equivalent to daming half a stream, and that is not any dam at all.

Mr. Speaker, we have seen the number of countries shipping us textiles proliferate and grow. We have seen imports shift from one article to another, from one category to another. We can no longer afford to permit foreign nations virtually unlimited access to our domestic textile market.

Our Government is currently seeking an international arrangement that would permit us to establish restraints on imports of woolen, manmade fiber, and blended textile articles. We must have such an arrangement and it must cover all textile articles. To do less will not solve the problem. For it is only under the umbrella of a multilateral arrangement that we can responsibly and equitably restore orderliness to our textile trade.

We have had some experience with trying to moderate our textile imports through a bilateral agreement. A 5-year bilateral covering cotton textile imports was negotiated with Japan in 1956, and what happened? Other exporting nations simply filled the vacuum created by the limitations on Japan and our cotton textile imports actually grew.

The United States has got to be able to control its total textile imports regardless of the source and regardless of the fiber or article. This can only be achieved under one multilateral, international arrangement.

Time and time again, we have emphasized our position on this situation. Neither we, nor the textile industry, is seeking to cut off all imports. We are willing to accept an extremely large volume of textile imports in the interest of world trade. But we are not going to accept the thesis that our foreign friends, most of whom dwarf us in protective devices, have a preemptive right to our market.

We are aware of the flat refusal of Japan and Hong Kong to agree to negotiations with our Government on this most serious problem. We know the reactions of the Western European countries to Secretary Stans request for negotiations.

I can only suggest to such countries as Japan and Hong Kong that it is in their own best interest to meet with us at the negotiating table. This problem has grown in intensity and proportion. And we in the Congress are not going to permit it to go unresolved for much longer.

Mr. Speaker, I thank the distinguished gentleman from Arkansas for first taking this time during which to make this speech and to thank the gentleman moreover for yielding to me.

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

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

Mr. MAHON. Mr. Speaker, I do not want to speak at length. I just want to commend the distinguished gentleman from Arkansas for his determined effort to solve the textile import problem. As I see it we must find the solution in the interest of our own textile industry, our cotton industry, and industry generally.

Mr. BURKE of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. MILLS. I yield to the distinguished gentleman from Massachusetts in order to get back to the Ways and Means Committee executive session.

Mr. BURKE of Massachusetts. Mr. Speaker, I wish to thank the distinguished chairman for yielding me this time.

Mr. Speaker, the distinguished chairman of the Ways and Means Committee has chosen a most opportune moment to emphasize again the necessity of attaining a meaningful solution to the textile import problem.

Like most other Americans, I favor healthy trade relations with all friendly nations. I do not, however, believe that we can afford any longer to be dogmatic about what this means in terms of foreign trade policy. The United States has participated in good faith in numerous postwar negotiations designed to lower tariff barriers and stimulate world trade. These negotiations have resulted in a steady erosion of the protection enjoyed by numerous industries in our manufacturing sector. Meanwhile, our traditional trading partners have developed new and highly effective barriers to our exports in the form of border taxes, administrative controls and positive financial incentives to their exporters who then are able to underprice our exporters in third markets. Most of these trade control devices are alien to American experience and are not to be found in our administration of trade relations with the rest of the free world. Their purpose, of course, is to foster and support adequate and balanced growth in manufacturing.

Yet when the Government of the United States becomes alarmed at the surging growth of textile imports and seeks the cooperation of other governments in the establishment of reasonable controls over the rate of growth of such imports, our leaders are informed that this is immoral and not to be countenanced. Japan has been especially uncooperative in this connection, notwithstanding the constructive and generous attitude the United States has taken toward her economic recovery and expansion since World War II. Thus, confronted with a community of nations in which all other governments accept the responsibility for maintaining balanced internal growth, we are asked to sacrifice one of our largest manufacturing industries on the altar of abstract economic theories to which no one pays any attention except when negotiating with us over our trade policies.

Mr. Speaker, this posture is no longer defensible, and we must proceed with determination to rectify the situation in textile trade before the deepening flood of imports does irreparable damage to our textile industry, its workers, and the communities dependent upon them. We applaud Secretary of Commerce Stans' vigorous and resourceful efforts toward this end and look forward to their success.

Mr. Speaker, again I wish to commend the distinguished chairman of the Committee on Ways and Means for taking this time to emphasize the importance of solving our textile import problem. The efforts of the chairman in this regard are deeply appreciated by the entire textile industry of our country and indeed our country as a whole.

Mr. MILLS. Mr. Speaker, I thank the gentleman for his comments.

Mr. Speaker, I now yield to the gentleman from South Carolina (Mr. RIVERS).

Mr. RIVERS. Mr. Speaker, I want to thank the distinguished chairman of the Committee on Ways and Means for taking this time to do what the gentleman has done today in bringing so forcefully to the attention of the country the problem involving those who are competing with the lifeblood and the lifestream of the second most important industry in America, our textile industry.

The quartermaster general in World War II said that next to steel the most important contribution in the war effort was made by the textile industry.

Over 10,000 items that are indispensable to our defense comes from the textile area.

We have been tolerant and we have been patient with Japan. The time has come for us to speak with authority. The chairman of the great and powerful Committee on Ways and Means has done this today. The way we have proceeded in the past has availed us nothing. I think Japan will get the message today. This is unfortunate.

No nation in the history of the world has gotten defense or protection for the price that Japan is paying for it. We are committed to their security, yet we cannot fly our combatant planes to the aid of our *Pueblo* off the cost of Korea because this would offend, or affect or compromise their national security under our treaty with Japan.

We cannot operate combatant planes to Vietnam because of this arrangement with Japan.

We have given them everything and yet they attack the livelihood of the people of our country and the very life of

our country itself. Why are they unwilling to resolve this important problem?

Japan is No. 2 in automobile production and they are way up in the electronic industry. But I think they will get the message that you have given them in language that they will understand. Secretary Stans is reasonable with his approach—Japan should not force our hand to resort to unilateral action. The question is now in Japan's hands. They can decide our future relations in this vital area.

Mr. MILLS. I thank the gentleman.

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

Mr. MILLS. I yield to the gentleman.

Mr. JONAS. Mr. Speaker, throughout my service in Congress it has been necessary to wage a continuing fight to prevent serious damage to the textile industry from ever increasing imports from low-cost countries abroad. Those of us who have conducted this fight have been accused of being opposed to world trade and of favoring the erection of a high tariff wall around this country to prevent imports. These charges are unfounded. I do not know of a single Member of Congress against whom that charge would properly lie. It certainly would not apply to the spokesmen for the textile industry or to the 2½ million Americans who derive their livelihood directly from that industry or other millions who make a living out of allied industries. All that any of us have ever asked is that the increases in textile imports be limited so that domestic producers may have an opportunity to grow and retain a fair share of the domestic market.

The mere recital of a few statistics should convince any fair-minded person that the domestic textile industry, with its comparatively high labor costs, cannot long survive if low-cost producers from abroad are not restricted in the amount of exports they can send into this country. A few years ago the United States had a substantial textile trade balance but since 1957 this favorable balance has been transformed into a deficit and the deficit is now growing at an alarming rate. At the end of the decade following 1957, the U.S. textile trade deficit had grown to $766 million. The deficit increased in 1968 to $1.1 billion.

The result of this fantastic increase in textile imports has been the closing of many textile plants and the loss of thousands upon thousands of textile jobs. In January of this year the directors of a textile plant that had been operating in my district since 1891 decided to liquidate the operation. This is a mill that at one time gave employment to 1,600 people. It had been completely modernized a few years ago. This mill is now in the process of liquidation, brought about not because it was antiquated but solely because of an inability to continue to compete against low-cost producers abroad. So chalk up one more scalp to a Government policy which seemed to be based upon a willingness to stand by and see this great industry destroyed.

Realizing that some steps must be taken to stabilize this import situation for textiles, last August I sent a telegram to Mr. Richard Nixon, then campaigning for the presidency, pointing out the impact this continuing increase in textile imports was having on the millions of wage earners employed in the textile and related industries, and recommended that he announce a program to restore equity in international trade in textiles and apparel. Others who were aware of the situation sent similar telegrams. I was encouraged when, on August 21, 1968, Mr. Nixon responded in a telegram that received widespread circulation. In it he stated that his policies as President would be:

> I will assure prompt action to effectively administer the existing Long-Term International Cotton Textile Arrangement. Also, I will promptly take the steps necessary to extend the concept of international trade agreements to all other textile articles involving wool, man-made fibers and blends.

The position stated by Mr. Nixon has been reaffirmed on several occasions since his inauguration. He delegated to Secretary of Commerce Stans the responsibility for negotiating agreements with foreign producers to bring textile and apparel imports under control. Secretary Stans has been diligent and aggressive in his efforts to promote such agreements, and within the next day or two he will be meeting with Government officials in Japan, which will be his second trip to that country as a part of his mission, seeking to work out suitable arrangements—not to cut off Japanese exports to this country but to impose some reasonable limitation upon the future growth of textile imports from that country into the United States. Recently I had the pleasure of listening to Secretary Stans report in detail on his efforts and I was most encouraged by his obvious dedication to the cause and by his reasonable approach and presentation of our problems to the principal textile exporting countries.

Unfortunately, this reasonable approach to a very serious problem by Secretary Stans has not produced agreements. As previously stated, another effort is currently under way, and I believe officials of exporting nations would be well advised to meet this reasonable attitude of our Government, as enunciated by Secretary Stans, with reasonable reciprocation. The patience of millions of U.S. citizens, who see their very livelihood endangered if textile imports continue to escalate, is rapidly being dissipated. They cannot understand the attitude of foreign governments in demanding ever-increasing chunks of our market while strictly protecting theirs.

If the reasonable approach to this problem by our Government's representatives continues to be met with stony silence by foreign governments, then I see no recourse except for Congress to take affirmative action to impose mandatory controls. I do not know of anyone who wants mandatory controls. But it is unreasonable to expect the U.S. Government to stand idly by and witness the continued deterioration of an industry that is so vital to so many people and, indeed, vital to the national security of our country.

Recently I have noted reports in the press implying that an all-fiber comprehensive arrangement is unnecessary to the solution of this problem. It is being suggested that we single out specific products and seek import restraints only on those. Such an arrangement obviously would not provide much relief from a situation that is rapidly becoming intolerable.

Mr. Speaker, if there is any one thing we should have learned from our experiences with growing textile imports it is that such an approach as suggested will simply shift the burden of imports from from one article to another and that it will merely shift the supply of imports from one country to another. The only way this problem can be solved is through an all-inclusive arrangement, and it is for this reason that I strongly urge the President and his associates to stand firm against any suggestion that it be dealt with on a piecemeal basis.

Coming as I do from a textile-producing area of the country, I can report that there is growing concern that unless a limitation is placed on the growth of textile imports to this country an entire domestic industry, vital to the strength and security of this country, is going to be damaged severely. I think growth restrictions should be imposed by voluntary agreements but if foreign governments continue to be indifferent to this problem and oblivious to the dangers it poses for the entire U.S. textile industry and the millions of workers employed by it, there will be no recourse left except for legislative action.

As one who fully recognizes that trade is a two-way street, and who acknowledges that we have to be willing to accept some imports if we expect to export, and as the Representative in Congress of an important textile-producing district, I strongly urge the administration to persevere in its efforts to work out suitable overall limitations on textile imports into this country and also urge the foreign governments with whom conversations have been and are continuing to be held to meet our reasonable attitude with a reasonable one themselves. This problem can be solved by mutual agreements and I hope the current efforts to accomplish this will be successful in order to avoid a more drastic approach which will be necessary unless reason prevails.

Mr. MILLS. Mr. Speaker, because there is an executive session of the Committee on Ways and Means in progress right now, I would ask unanimous consent that the remainder of my time be yielded to the gentleman from South Carolina (Mr. DORN) and that he, in turn, be permitted to yield to others within that time.

The SPEAKER pro tempore (Mr. ALEXANDER). Without objection, it is so ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from South Carolina (Mr. DORN) is recognized.

Mr. DORN. Mr. Speaker, I want to commend the great and beloved chairman of the Committee on Ways and Means for recessing his own committee, which is involved in some of the most pressing problems the Nation has ever

faced, to come here in the well of the House today and tell us so frankly and forthrightly his position on this ever-increasing textile-apparel-fiber import problem.

We are all extremely happy about the position that Secretary Stans has taken. I thank he has been one of the finest leaders for the cause of the textile industry and its employees that we have ever had in my 21 years of experience in this Congress. I wish him well on his trip to the Far East today. He begins meeting tomorrow with his Japanese counterparts, and he, too, hopes that this problem can be resolved in a voluntary way.

He recently came before our House textile group, which has been reorganized, with the distinguished gentleman from Georgia, PHIL LANDRUM, who spoke to us a moment ago, as chairman. I am happy to say that the group elected as its vice chairman the distinguished and able gentleman from North Carolina (Mr. JONAS). So it is as it has always been a nonpartisan group.

Mr. Stans briefed us at our first meeting. I have never heard a finer statement, with the possible exception of the statement by the gentleman in the well a moment ago, Mr. MILLS. Mr. Stans assured us that he intends to exert every influence to achieve a voluntary and equitable agreement with our foreign trading partners to limit U.S. imports of textile articles. We wish him every success. But failing in his most reasonable approach, I was delighted to hear the chairman of the Ways and Means Committee say that this Congress at this session would take action. There will be absolutely no alternative.

I would like to remind my colleagues here today that when the distinguished Secretary of Commerce was in Japan several weeks ago, he was met with demonstrations and with a unanimous vote by the Lower House of the Diet opposing any negotiation or any conference whatsoever. I do hope that this time he will find more hospitality and more response.

I will say this, when the Prime Minister of Japan, Mr. Sato, comes here this fall, he will be received cordially and in friendship.

We want to resolve our textile problem voluntarily. But I must repeat what has been said here today, that if not as my colleagues have said before, this Congress will act.

Mr. Speaker, the problem of textile imports from low-wage-paying foreign producers is very real to South Carolina and its people. The textile industry is the predominant industry in our State. Fully two-thirds of the numerical and dollar payroll comes from textile and associated industries in South Carolina.

Some 53 percent of the wage earners in the State are employed directly in textiles, according to the latest annual report of the South Carolina Department of Labor. In addition, South Carolina has a larger percentage of textile workers in its overall industrial work force than any other State. And it has more textile spindles in place and more textile finishing production than any other State in the Union.

As the textile industry goes, so goes the State of South Carolina. The well-being of its economy depends upon a healthy textile situation. And since this is a fact, the people there are becoming more and more concerned—even alarmed and shocked—by the increase in textile imports.

Unquestionably, I think anyone would be alarmed if he felt his savings, his security, and his very future were threatened by some event beyond his control. This is the feeling of the average textile worker of South Carolina. Our textile employees are, however, well aware that the Government and the Congress can take positive action to insure his job security. He is aware that President Nixon and Secretary Stans have provided encouragement and hope for the future by strong public statements that action will be taken.

The losing of a job is a serious matter. It is even more serious for the textile worker, for the nature of the textile industry itself is different.

In South Carolina, for example, textiles have historically served as an agent in getting jobs for those who have no other source of employment, our young people, the displaced farmworkers, and farmers who have been the victim of a changing farm economy. These people, through textile employment, now have a comparatively good paying and steady job, along with an improved station in life. In the past, textiles performed this service for the whites; now it is performing it for the blacks as well.

The losing of a job is a serious matter for the local economy—and ultimately to the national economy. If we suddenly erased the textile industry from South Carolina, we would also erase the estimated payroll amount of $745 million a year that goes to textile workers. And we would erase nearly 60 percent of the wages paid to all the State's hourly paid workers at the same time. Filling stations, retail stores, barber shops, beauty parlors, banks, loan agencies, doctors, lawyers, and virtually every small business in South Carolina depends on textile employment and the textile payroll. Our textile industry is the economic lifeblood of South Carolina.

In South Carolina last year, textile workers spent nearly $162 million for food and related products; $190 million for housing; $60 million for clothing and upkeep; $79 million for transportation; $35 million for medical care; $33½ million for recreation; $16 million for personal care; and nearly $53 million for State, local, and Federal taxes. South Carolina textile workers are large consumers of beef, poultry, household appliances, automobiles, and various commodities from other sections of the country. The specter of 4-day workweeks, curtailment, and unemployment will hurt other businesses and jeopardize job security in other fields.

This Nation has come to know that joblessness in one area can haunt the entire country. Robert S. Small, president of Dan River Mills, Inc., which has corporate offices in Greenville, S.C., recently in a speech detailed the contribution made by textiles to the Nation's economic system. Mr. Small said that the United States needs gainful employment for all degrees of unskilled and skilled employees, and he added that the textile industry is providing steady employment in some of the most needy areas.

Mr. Small pointed out that Negro employment in the textile industry has advanced four times faster than the national average for all manufacturing since 1960. And he predicted that over the next decade the employment and promotion of Negroes and other minority groups by the textile industry will be a vital economic factor affecting the total economy.

The progress made in minority hiring cannot continue, however, unless some action is taken on textile imports. At present, industry figures show, more than 20 percent of the State's textile workers are black. In 1968, South Carolina textile plants employed 1,476 more nonwhite females and 2,098 more nonwhite males than in the previous year.

Not only that, the industry continues to move into the counties of South Carolina where there is a pressing need for industrial jobs. Two textile companies—J. P. Stevens & Co., Inc., and United Merchants and Manufacturers, Inc.—have in recent months announced plans to locate in largely rural sections of the State where job opportunity is lacking.

Mr. Speaker, my Committee on Public Works authorized the Appalachia program. In this session we are continuing this program. This program is designed to provide job security and job opportunity for our people in disadvantaged areas. It is costing over a billion dollars. It is successful; but Mr. Speaker, if we lose 400,000 textile jobs, or any portion of them in the Appalachia region, it will be a tragedy and could not be explained to the American people.

We have also authorized the Coastal Plains Commission which will take in 159 counties in North Carolina, South Carolina, and Georgia which will promote industrial and economic development. These programs cost money and the funds will help those in depressed areas to help themselves. Imports of textiles are threatening these areas and these people who are beginning to have hope.

The textile industry must be permitted to grow if these trends are to be maintained. They cannot, of course, be maintained unless some action solves the inequities of the present trade situation. Secretary of Commerce Maurice Stans recently was quoted as saying that the United States is the only free market for textiles and that imports had increased 300 percent in 7 years, with Japan getting more than its share of the increase.

While Japan has been prospering at the expense of the United States, that country has stubbornly opposed attempts to discuss relief measures. The July 4 issue of Time magazine points out:

> Though the Japanese complain about the injustice of textile quotas, they maintain a closed-door policy at home, shutting out considerable amounts of United States goods and capital.

The magazine goes on to quote a committee of the Organization for Economic Cooperation and Development that—

> No other advanced country confronts the foreign investor with the sort of obstacles presented by Japan.

These are not the only favorable competitive trade advantages enjoyed by Japan. The most obvious one is the wage structure difference between Japanese and American textile manufacturers. As Time stated:

> It is the documented United States business contention that Japan has been flooding American markets with goods made at far lower wage rates than any U.S. company could get away with paying.

Dan River's President Small pointed out that the American textile industry has increased its workers' wages eight times since 1961, and payroll costs, including fringe benefits, have been upped some 60 percent. In Japan—and in every other major foreign textile-producing country—the goods are manufactured at far below the legal minimum in this country. Latest figures show Japanese textile mills pay their workers less than one-sixth the average hourly earnings made by the textile worker in the United States.

In view of such policies, it is little wonder that the people of South Carolina are anxious and concerned.

Secretary Stans and his colleagues are making every effort to meet this growing import problem. His request for negotiations to work out a sound solution to this matter, unfortunately, have met with strong resistance to say the least. However, he has the support of a broad segment of the Congress in his objective, and we shall be prepared to take the steps necessary to obtain the kind of broad, comprehensive restraints on our imports of all textiles as are required to preserve this industry.

I now yield to my good colleague, the gentleman from Massachusetts (Mr. KEITH), who sat with me in President Kennedy's office 8 years ago, when efforts to work out this very problem were initiated on a global scale, and who has been dedicated to its solution ever since.

Mr. KEITH. Mr. Speaker, I thank the gentleman for yielding and I would like to associate myself with the forthright remarks of the distinguished chairman of the Committee on Ways and Means.

Mr. Speaker, 5 years ago I addressed this House on the subject being discussed today. At that time I said:

> The wool and cotton textile industries are at a crucial crossroads. Their ultimate survival depends to a great extent on the trade policies of the Federal Government. This industry, which is the largest single manufacturing employer in the Nation, has seen imports climb 1,100 or more percent in the past 15 years, while exports have dropped by almost half in that same period.

The situation, as outlined today by the gentleman from Arkansas, is, 5 years later, immeasurably more serious. While none of us in the Congress favor the erection of protective tariff walls or wish to see our trade partners excluded from the American market, the time has clearly come to provide some measure of relief for the U.S. textile industry. Thousands of jobs in rural and economically depressed areas are being endangered by the flood of imports. The viability of an industry vital to our national defense is seriously in question. This situation will grow worse if action is not taken in the near future.

Mr. Speaker, the distinguished gentleman from Arkansas is correct in urging our Japanese trade partners to agree to Secretary Stans offer to negotiate voluntary quotas. All of us should join him in this appeal. If no fruitful results are forthcoming from the Commerce Secretary's second trip to Japan, then clearly Congress must act. Unilateral quotas are preferable to the demise of a vital industry.

In a larger sense, however, there is another step which the administration should take to relieve the textile industry. This is to combat inflation more vigorously. Without a stabilization of the wage and price level in the United States, the penetration of our domestic markets and the loss of our foreign ones will accelerate.

Having made these points, Mr. Speaker, I wish to commend the gentleman from Arkansas for his perceptivity and concern in addressing the House this afternoon. The distinguished chairman of the Ways and Means Committee is widely known for his expertise and fairness in trade matters. He would not have made this forthright statement in favor of textile quotas if the situation did not warrant it.

Indeed, none of us would favor further barriers to free trade if the textile industry were not in such a precarious position. All of the growth of demand for textiles in the American market is being absorbed by foreign suppliers. The survival of the industry is now being threatened, and quotas must be established. We hope the textile quotas will be instituted voluntarily. We hope our trading partners will respond sympathetically and flexibly to the problems of our textile industry. But assuredly, action must be taken if we are to preserve a vital American industry.

Mr. DORN. I yield to my colleague, the gentleman from New Hampshire (Mr. CLEVELAND).

Mr. CLEVELAND. Mr. Speaker, I thank the gentleman for yielding. I wish to commend him and the gentleman from Arkansas (Mr. MILLS) and the other Members who have spoken out on this problem today. I think it was particularly appropriate that the gentleman from Massachusetts (Mr. BURKE) pointed out that much of the so-called free trade that we hear so many people talking about is not free trade at all. It is not even fair trade. I think those parts of Mr. BURKE's remarks should be underscored along with the other remarks that have been made here.

Mr. DORN. May I say to my colleague, who serves so ably on the Public Works Committee with us, that you know of the hundreds of millions of dollars that we have authorized for Appalachia and other regional programs throughout the Nation, including the great Ozark area and the Coastal Plains. Yet with 400,000 textile jobs in Appalachia at stake, they turn right back around and let imports from low-wage foreign friends undermine the whole Appalachia program. It seems ridiculous to the extreme, I am sure you would agree.

Mr. CLEVELAND. If the gentleman will yield further on that point, as the gentleman from Arkansas (Mr. MILLS) pointed out in his earlier remarks, one of the reasons why this problem is so intensely important is that these areas of Appalachia the gentleman from South Carolina has talked about and the areas of rural New England and other areas such as the Ozarks which we have been trying to help, are all areas where we find many of the people are dependent on jobs in the textile industry. These are some of the areas so-called poverty programs are aimed at and which they try to help.

The hearings in the committee have shown we could not spend enough money in the poverty programs to get people back to work if these jobs in the textile industry are lost to us.

Mr. Speaker, I would like to now add a few additional comments. Certainly the remarks of the gentleman from Arkansas (Mr. MILLS) are very timely in view of the fact that Secretary Stans is now preparing for his final effort to negotiate these matters in Japan. In this connection, the business section of this morning's New York Times carried an article by Edwin Dale summarizing the importance of Mr. Stans' visit to Japan. I shall include it at the end of my remarks.

Unfortunately, the so-called credibility gap has plagued the affairs of this land so long, that it may well be that our friends abroad will not really believe what we say. All we can do, as Members of Congress, is to stress, in this forum and everywhere else that we can, that we do mean what we say. It is true, as the gentleman from Arkansas (Mr. MILLS) stated, that, if we cannot dispose of this question through negotiation and mutual understanding, the Congress will have to act and act vigorously, effectively, and promptly.

Many of the Members now engaged in this discussion have lived with this problem longer than I, but ever since I came to Congress in January 1963 I have expressed my concern particularly because of the wool manufacturing industry in my district. My efforts to assist this beleaguered and vital industry have been unflagging since that day.

Before closing my remarks, I want to reemphasize my respect for the efforts of the gentleman from Massachusetts (Mr. BURKE) and to salute him for them. He has been immensely helpful to me, and, of course, he is a real champion to the working people as well as the management in the textile industry in his district and State. The success which I am certain we are going to have will be due in large measure to his efforts to bring sense to the arena of free trade.

The point he has stressed and which I think cannot be stressed enough is that few people realize in discussing this issue how absolutely unfair some of the import policies of other countries are against us. The Wall Street Journal today carried an article describing such a situation as

it obtains in Japan. It shows how totally intransigent the Japanese Government has been—and is—and how essentially protectionist their attitudes have been.

I shall offer this article at the end of these remarks also.

I was particularly interested to read of the Japanese situation because I have personal knowledge of a situation in which they have adopted policies designed deliberately—that is the only interpretation which I can make of the facts—to knock out a small but vital industry in our country. If successful, this would leave key elements of the national defense dependent on foreign suppliers, principally Japan. Our investigations, by the way, show that in this endeavor the Japanese may well be guilty of violating the antidumping laws and, through U.S. affiliates, of violating the antitrust laws.

That is a tale to be told in its time, however, and the time is not now. I mention it only to illustrate the strength of the deliberate power which is arrayed against us.

But it must be emphasized that in discussing free trade we should consider whether the beneficiaries of our free trade policies are in fact practicing fair trade.

And, for that matter, how are they treating their labor? How well are they paying the workers, and under what conditions do they work? If trade is to be free, it must be fair.

The above-mentioned articles follow:

[From the New York Times]

U.S. TRADE POLICY IS AT CROSSROADS—FIRST RESTRICTIVE LAW IN 11 YEARS IS POSSIBLE IF JAPAN WON'T CURTAIL EXPORTS—STANS SETS FINAL PLEA TO URGE VOLUNTARY ACCORD FOR RESTRAINT IN TEXTILES AT TOKYO CONFERENCE

(By Edwin L. Dale Jr.)

WASHINGTON, July 27.—United States trade policy faces a potentially major turning point this week—not in Washington but in Tokyo.

If Japanese Cabinet Ministers, as expected, tell their American counterparts that they will not accept voluntary limitation on exports of textiles to the United States, the Nixon Administration may in the end permit, without much opposition, the first seriously restrictive trade legislation in 11 years.

The change of 11 years ago, known as the "national security" clause in the permanent trade law, was vigorously opposed by the importing community and by free-trade groups generally. In practice, it has led only to restrictions on imports of oil, which was its purpose in the first place. Debate continues on whether oil-import restrictions are good or bad.

WIDER IMPLICATIONS

But the new restrictive legislation, assuming it is enacted, could have wider implications. Though its origin is the problem of textiles, it will be designed to handle the import problems—real or imagined—of shoes, electronics and other domestic industries.

The meeting in Tokyo, one of a regular series between the United States and Japan, is not supposed to negotiate anything. But in practice it is almost certain to represent the last try of the Secretary of Commerce, Maurice H. Stans, to solve the textile-import problem by a voluntary agreement among exporting countries. Without Japan, such an agreement stands no chance.

If Mr. Stans comes back empty-handed, as he did on his previous trip to Asia in May, it is probable that he will recommend to President Nixon a favorable attitude toward a sophisticated move, already under way in Congress, to give much greater Presidential authority for import limitation.

Mr. Stans has already submitted a paper to the President. Its contents are not known in detail. The paper aims in general at freer trade—in which Mr. Stans believes—but also suggests what should be done if the initiative for textile import limitations fails.

The move in Congress is being developed by Senator Ernest Hollings, Democrat of South Carolina. A political realist, Mr. Hollings has abandoned his nearly successful attempt of last year to impose, by law, quotas on imports of textiles alone.

Instead he is preparing an amendment—possibly to be attached to legislation as important to the President as the income-tax surcharge—that would do two things.

First, it would change the "escape clause" of present law to make it much easier for domestic industries to obtain relief, through higher tariffs or even import quotas, in cases where imports are rising rapidly and damage can be shown.

Second, it would establish a new Presidential authority to impose import quotas, beyond the present "national security" provision, probably based on a share-of-the-market principle. As far as is known, the Hollings amendment would not be mandatory on the President, but it would be a potent weapon in the textile dispute.

President Nixon, according to available evidence, has not faced up yet to the issue of the Hollings amendment. Mr. Stans is only one advocate, and there may be some on the other side, including Secretary of State William P. Rogers.

TWO SIDES OF PROBLEM

But, after the Tokyo meeting this week, Mr. Nixon cannot long avoid the problem. On the one side will be the "credibility" of Mr. Stans, who has argued to exporting countries that the textile problem is serious. On the other will be the President's clear desire to avoid major clashes with other countries, as revealed in the dispute with Peru over nationalization of the International Petroleum Company, a subsidiary of the Standard Oil Company (New Jersey).

In the background will be Senator Hollings and a Congress—though not outright "protectionist"—ready to listen to the cries of pain of a few domestic industries, led by textiles.

That is why a turning point is at hand in Tokyo, though Tokyo is only the dress rehearsal.

[From the Wall Street Journal]

JAPAN'S TRADE CURBS MAY BE LOOSENING, BUT UNITED STATES SEES FEW CONCESSIONS IN TALKS

(By William D. Hartley)

TOKYO.—There are faint glimmerings that Japan's government and businessmen are taking a fresh look at loosening this country's tightly restrictive trade and foreign-investment policies.

Only a few solid steps in this direction have appeared so far, trade observers say, but there seems to be a subtle switch in attitude. "The Japanese finally are beginning to understand they can't keep the doors closed forever," says one observer. "The outside pressure just is getting too great," adds Yoshizane Iwasa, chairman of Fuji Bank. "Now we are working for more liberalization with a more active attitude."

Still, "active" in Japan trade circles tends to mean "move, but move slowly." Japan isn't about to change policies overnight. By American standards, the Japanese have a long way to go in the direction of free trade.

Nor can American Cabinet officers, who begin meeting here tomorrow with their Japanese counterparts, expect many concessions. At best, one source says, "We might get a few door prizes." Indeed, the American Embassy here has begun stressing that the talks, the seventh meeting of the U.S.-Japan Committee on Trade and Economic Affairs since 1961, shouldn't be considered negotiations.

But beyond conferences, there has been some recent motion by the Japanese toward liberalizing trade, most of it done quietly. The Government in April removed quotas on six items, five of which were sought by the U.S. This public list wasn't impressive. It included such products as color movie film of 35mm. or greater, Bourbon, pet food and cow intestines.

INCLUDE SEWING MACHINES, LIGHT AIRCRAFT

At the same time, however, there were hidden relaxations that hearten traders. Reliable sources say Japan, without fanfare, increased quotas and is allowing more automatic import licensing on a wide range of industrial and agricultural items that have been on the American Government's "must" list for years. Among the food items were citris fruit, particularly grapefruit, which has been an item of high interest. On the industrial side, the relaxations included sewing machines and light aircraft.

"The U.S. didn't get all it wanted," says one source, "but it got quite a bit." Others warn, though, that the Japanese can easily reverse this as, officially, nothing has been done. On the books, Japan still has 120 import categories controlled by quotas, more than any other developed nation. Last week, the government announced it would halve that list by the end of 1971.

Another change, although small, is a recent decision to drop "end-user" information requirement for importers of machinery. This ordered an importer to specify to whom he was selling the item. Critics say it opened the buyer to pressure from government officials to purchase a domestic product instead.

There also are changes in the field of liberalizing foreign investment. The list of industries, in which foreigners can invest currently is unattractive. Ice-making and weaving of silk yarn are classic examples. But the Japanese are running out of dull industries and the next list, expected to contain more alluring areas, observers say.

The recent decision by Chrysler Corp. and Mitsubishi Heavy Industries Ltd. to form a joint venture here is prompting reevaluation of Japan's policy on automobile liberalization. Chances that the venture will be swiftly approved still are slim, but many in government say the move forces the Ministry of International Trade and Industry to speed up liberalization timing.

The ministry wanted to reorganize the local auto industry into two big companies from the half-dozen or so existing before allowing foreign investment. But that has been opposed by the industry and the ministry is having doubts it should push the plan. The apparent attitude now is to set a liberalization date and let the auto makers do what they please.

SAN FRANCISCO PARLEY

Part of Japan's switch in attitude, analysts say, is coming from an understanding that American feelings are stiffening. Many cite a June conference in San Francisco between U.S. and Japanese business figures. In the past, says one American in the Tokyo business community, "American attitude was divided, or disinterested, and not many businessmen did their homework for the meeting. The Japanese always did. This time, they found a unified U.S. business community up in arms and definitely growing opposition. It really set them back on their heels."

The Japanese also are beginning to appreciate the intensity of protectionist pressure in the U.S. Congress, it's believed. When Commerce Secretary Stans was here in May, he told officials there were 365 bills in Congress

aimed at cutting imports. The main hope of the cabinet conference this week, planners say, is to convince the Japanese of the necessity of more and quicker liberalization.

"Before this Congress adjourns, we have got to have some assurance from the Japanese," says Herman Barger, U.S. Embassy Minister for economic affairs. "If we're going to have a chance of getting a liberal trade bill through Congress, we must have a demonstration of trade restrictions around the world being removed."

Japan's other trade partners complain about restrictions, but it's the U.S. reaction that is the most important here. Nearly one-third of Japan's trade is with the U.S. Its favorable trade balance with America was $1.1 billion last year, greater even than exports to the next biggest customer, the European Economic Community. Mr. Barger estimates the trade imbalance this year will reach $1.5 billion.

DISPUTES WITHIN GOVERNMENT

Opinion here isn't monolithic and there are disputes within government over liberalizing. Observers say it ranges from the Foreign Ministry's desire to push liberalization to the Agriculture Ministry's defiant opposition. Most businessmen are stubborn, but some speak in favor of easing rules. "The Japanese business society has come to the opinion that Japan must (raise) the freedom of the economy to the level of advanced countries as soon as possible," says Norishige Hasegawa, president of Sumitomo Chemical Co.

Adds Mr. Iwasa of Fuji Bank: "Japan's economy has achieved tremendous growth in the past few years and our scheduled liberalization tempo couldn't catch up with that growth. But the government is trying to speed up our tempo and therefore we can't understand why the U.S. is demanding our hasty action or it will impose restrictions."

There are many hard-liners, though. This exchange with a senior vice president of one of Japan's biggest electrical corporations is instructive:

"As far as our industry is concerned," the executive says, "we are of the opinion Japan should liberalize because our industry already is enjoying major status in the world."

But when asked if that belief includes liberalizing the import of computers, currently tightly controlled, he responds:

"Oh no. Computers are a young industry in Japan. The industry is still weak. Liberalization wouldn't be good for that industry."

The lesson, analysts say, is that the Japanese dislike competition from outside unless they're more than able to defeat it. Even on an equal basis they accept in the home market only as much as they're forced to accept. Indeed, remarks one man, "All the rest of the world is treated as a Japanese colony, even the U.S., that supplies raw materials and to which it ships manufactured goods." Japan's trade pattern supports the charge. Nearly 88% of last year's imports were raw materials and agricultural goods, barely 2% were consumer goods and the rest was capital equipment.

HOST OF UNWRITTEN BARRIERS

So, cynics charge, even if Japan makes a grand gesture and does away with all quota restrictions, it will require an even greater switch in thinking to free its trade by world standards. Past practice has built up a host of unwritten barriers that hamper imports now and could be used with great effect even with "total" liberalization.

There is, for instance, what the Japanese call "administrative guidance." Major capital investment decisions in Japan often are discussed within an industry and with the government. There is the charge that a desire to buy, say, an American machine tool, is headed off in these discussions. Pressure, which the government denies, sometimes is used on distributors, others charge, to play down the foreign item in competition with domestic goods.

Restrictions take some odd forms. Not long back, an American company selling air conditioners decided to treat its distributors to a trip to the U.S. to see the factory. But the Japanese Fair Trade Commission ruled the trip an unfair trade practice. There have been reports some importers were ordered to license Japanese companies to make an item before they could import the same product.

Tomorrow's economic and trade conference begins with a televised opening ceremony and is expected to end about noon Thursday.

American participants in the conference include Secretary of State Rogers, Commerce Secretary Stans, Agriculture Secretary Hardin and Paul McCracken, chairman of the Council of Economic Advisers.

But, "The Japanese aren't terribly interested in an economic conference as such," says an embassy official. Japanese newspapers are billing this as the "second round" in the Okinawa reversion negotiation and Mr. Rogers is scheduled to talk with Foreign Minister Aichi and Prime Minister Sato on that subject. The first round was Mr. Achi's June visit to Washington. The Japanese are seeking return of Okinawa by 1972.

It's expected that the U.S. may gain from the conference some sort of commitment, though perhaps vague, from Japan to increase its aid to Asian countries. Also, it's understood there may be an agreement to do joint research in transportation and air and water-pollution problems.

The subject of voluntary cutbacks by Japan in textile exports to the U.S. is expected to arise again. Mr. Stans unsuccessfully sought such an agreement in May. The Japanese, Mr. Barger estimates, are more likely to try to fend off U.S. protectionist pressures by yielding on trade liberalization than by cutting their own exports.

Mr. DORN. Mr. Speaker, I thank my friend, the gentleman from New Hampshire (Mr. CLEVELAND).

I yield now to another able and distinguished committee chairman, my good friend, the gentleman from South Carolina (Mr. MCMILLAN), who represents a district in the Coastal Plains area.

Mr. MCMILLAN. Mr. Speaker, I associate myself with the remarks of my good friend, the gentleman from South Carolina, and the gentleman from Arkansas, Chairman MILLS, and the gentleman from North Carolina, and others who have already spoken. I think it is a great tribute to these gentlemen for them to be willing to come here this evening and speak on this very important subject.

Mr. DORN. Mr. Speaker, I thank the gentleman from South Carolina for his remarks.

Mr. Speaker, I yield now to my colleague, the gentleman from North Carolina (Mr. TAYLOR), whose district adjoins mine.

Mr. TAYLOR. Mr. Speaker, I thank the gentleman from South Carolina for yielding, and I commend him on his fine statement. I also commend our colleague from Arkansas for taking this time and bringing this to our attention.

Mr. Speaker, I too am deeply concerned over the import problem faced by the American textile industry and desire to associate myself with all that has been said. During the 90th Congress I was one of 195 House Members to introduce a bill designed to aid in solving the problem.

At a time when the United States is enjoying general prosperity, we find that imports of yarns and fibers and various textile products are displacing the products of American manufacturers and American textile workers. The textile industry has not contributed to today's problem of inflation. While the cost of most commercial commodities has increased greatly since the base period of 1957–59, the price of textile products has decreased by 2½ percent.

The shortened workweeks and layoffs of personnel at textile mills which have occurred in the latter part of 1966 and in 1967 are direct evidence of the effect of imported goods on the American market.

During the last 5 years, imports of manmade fibers increased 144 percent, while imports of manmade fiber fabric and apparel increased 274 percent.

Our textile workers deem it most unfair to suffer from shorter hours and unemployment while foreign low-wage competitors are supplying much of the American market.

In my congressional district, 52 percent of the 51,000 manufacturing jobs are textile-related. More than half of the manufacturing jobs in the State of North Carolina are in textile mills or manmade fiber and apparel industries.

In 1966 textile imports into the United States exceeded exports by $902 million. The overall U.S. balance-of-payments deficit in 1966 was $1.4 billion. This means that the textile trade deficit was equivalent to almost two-thirds of this balance-of-payments deficit. Solution of the textile import problem would contribute much toward solving the balance-of-payments problem that our Nation faces.

The United States has the most modern and efficient textile industry in the world and our workers are the best paid in the world. However, this industry finds it difficult to compete with countries whose textile workers are paid only a fraction of what ours receive.

The textile industry is in deep trouble, fighting for survival against its foreign competitors. Either we get quotas put on imports or many of our mills will close and unemployment in the textile industry will become a national problem. The future of one of our basic and most essential industries is in jeopardy, and we cannot afford to wait any longer for action.

Mr. DORN. Mr. Speaker, I thank my good friend, the gentleman from North Carolina.

Mr. Speaker, I yield now to the gentleman from Georgia (Mr. FLYNT) who has been on every conference at the White House and at the Commerce Department. The distinguished gentleman from Georgia (Mr. FLYNT) is always there.

Mr. FLYNT. Mr. Speaker, I thank the distinguished gentleman from South Carolina for yielding.

Mr. Speaker, I certainly associate myself with the remarks the gentleman has made, and also with the remarks which were made by the gentleman from Arkansas (Mr. MILLS) and the other speakers who have preceded me this afternoon.

Mr. Speaker, I thank the gentleman from South Carolina and the gentleman from Arkansas, together with the others who have set forth, in language which no one can misunderstand, the necessity for working out some kind of voluntary agreements on this very important subject. I do not think any language which has been used here today could be called a threat to anybody, but I think the time has come when we must let the governments of other nations know that we do not consider the American textile industry to be expendable.

I am sure the gentleman from South Carolina will agree with me, as I know he has before—and we have discussed this on literally hundreds of occasions, both in bilateral conversations and in group conversations—that this industry to whose rescue we are coming this afternoon, is as important both in time of war and in time of peace to the American economy and also the American defense effort as any industry in the United States. It is imperative, Mr. Speaker, that this industry remain strong and that it continue to grow and keep pace with the growth of the American economy and the world economy generally.

Speaking not provincially, but speaking as an American first and as a Georgian second, it is not necessary for me to recount the importance of this great textile industry to my own State. It is the largest single employer of Georgians of any industry in our State. In addition to that related industries employ many additional thousands of people.

It means so much to the economy of our State and of our Nation. It could literally be described as the lifeblood of the economy of the State of Georgia because of the employment which it provides.

The textile industry in our State is now undertaking capital expansion to provide additional employment for thousands of additional Georgians.

I certainly hope, Mr. Speaker, that the words which have been spoken here today will be listened to not only here in America but throughout the world, as we do our part to incorporate into voluntary agreements, if possible, the true principles of reciprocal trade. If satisfactory voluntary agreements are not reached, legislation will be necessary.

Mr. Speaker, I believe that the gentleman from South Carolina will agree with me that true reciprocal trade does not include the compounding of an imported surplus on an already existing domestic surplus. Rather, we should create and encourage a reciprocal flow of commerce and trade which will not be detrimental to any nation. Reciprocal trade agreements were never intended to be the vehicle through which any industry could be destroyed or placed in jeopardy.

Mr. DORN. The gentleman is absolutely correct, and has made a splendid statement.

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

Mr. DORN. I yield to my colleague from South Carolina.

Mr. GETTYS. I thank the gentleman, my distinguished colleague from South Carolina.

Today perhaps might mark the beginning of the end of the tremendous textile import problem we have in America.

I want to join my colleagues in wishing for Secretary Stans a successful trip in negotiating a voluntary agreement to limit the imports.

I want to associate myself with the purpose of this special order, and to extend my best wishes and thanks to the distinguished Members of the House who have today expressed the crying need to cure one of the greatest domestic problems we have in this country.

I thank the gentleman.

Mr. DORN. Mr. Speaker, I now yield to my colleague from Maine, who represents a State similar to our Appalachian region, with a lot of small rural towns where the people are largely dependent on this great industry for their jobs.

Mr. HATHAWAY. Mr. Speaker, the textile import problem is affecting the textile industry in Maine and the Nation. Both management and labor are becoming increasingly concerned about the industry-depressing effects of low-cost foreign imports and have turned to Congress for help. Those of us who represent textile manufacturing States are determined to provide relief from excessive import competition for the domestic textile industry. The problems now facing the industry will continue to worsen unless import controls are worked out.

While I am in favor of arriving at voluntary controls through international agreements, I shall insist on legislative means to curtail the ever-increasing flow of foreign textiles to this country.

Maine has more than 12,000 people employed in the textile industry. Production of textile products for defense needs has minimized the effect of imports, but a sharp curtailment of Defense Department orders could deal the industry a severe economic blow. Action must be taken soon to keep the American textile industry from vanishing. The domestic producers must be assured a fair share of the present and future expansion of the textile market. We must not relax our efforts to effect voluntary or legislated quotas for nations exporting to this country.

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

Mr. DORN. I yield to my colleague from Georgia, who likewise joins our district on the South Carolina side and is tremendously interested in protecting and saving the jobs of our textile people.

Mr. STEPHENS. I thank the gentleman from South Carolina for yielding to me.

It is true, with Congressman TAYLOR on one side of you and me on the other, we all join hands in support of what has been said today.

The statements made by the gentleman from South Carolina (Mr. DORN) by Chairman MILLS and by Congressman LANDRUM are the most forceful ones we have heard on the floor of the House or in any meeting we have had.

I agree, too, with what Congressman FLYNT said about the basic economic factors in our section and in America.

We also ought to emphasize the fact that our textile people are a most integral and vital cog in the defense program of the United States. If we should let the textile industry go by the board, then we shall have failed to provide for the proper defense of America, because of the clothing for our servicemen and because of the clothing for all people who work in every kind of endeavor in America.

I cannot emphasize too greatly the fact that the defense program of America is dependent on the livelihood, well-being, and health of the textile industry.

Mr. DORN. I thank my colleague for an excellent statement.

Mr. Speaker, I yield to my colleague, the gentleman from Georgia (Mr. BRINKLEY).

Mr. BRINKLEY. Mr. Speaker, I appreciate the gentleman from South Carolina yielding to me.

I also rise to join this group and to associate myself with their remarks. I want to add this thought: When the busy season of the textile industry becomes their slow season, we all know that something is wrong. I can see it in my own hometown of Columbus, Ga., and I have heard of it happening in other areas from the discussions which we have had. I am glad to know that further negotiations with Japan are to take place. My hope is that they will be fruitful. If not, the Congress must act.

Mr. DORN. I thank my friend from Georgia.

The SPEAKER pro tempore. The time of the gentleman from South Carolina has expired.

Mr. WEICKER. Mr. Speaker, I ask unanimous consent that I be permitted to yield 15 minutes of my time to the gentleman from South Carolina.

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

There was no objection.

Mr. DORN. Mr. Speaker, I want to thank my colleague for his generosity. I know that these other gentlemen here who are waiting to be heard are indeed grateful to you.

Now, Mr. Speaker, I yield to my colleague, Mr. MANN, who represents the Fourth Congressional District of South Carolina, with perhaps more textile employees in it than any congressional district in the country.

Mr. MANN. Mr. Speaker, I thank the gentleman for yielding to me. Mr. DORN just stole my opening remark, but this session would not be complete without my speaking on behalf of the economy and the population of the Fourth District of South Carolina, which, as he indicates, not only probably has more textile spindles than any similar geographical area in the world but also is the site of the major textile expositions and shows of our country, including the American Textile Machinery show in my hometown of Greenville, S.C., this October. I hope that will be the occasion for the celebration of the completion of voluntary agreements. If it is not, then I join my colleagues in stating that I hope it will be the occasion for our enacting legislation which will accomplish that purpose.

One of the best barometers of the problems facing our domestic textile industry is the fact that capital investments within the industry dropped from $1.1 billion in 1966 to $750 million last year. In spite of this drop in investments, wages have continued to rise. In fact, they have risen 46 percent in the last 10 years, so that the $2.28 per hour wage rate in the United States is well ahead of the $1.33 per hour wage in Great Britain, $0.56 per hour wage in Italy, and $0.36 wage in Japan.

The amount of imports coming into the American market has continued to rise at an alarming rate. For example, manmade fiber imports have risen twenty-fivefold in the last 10 years, and cotton textile imports have risen threefold in that period. The overall value of imported textile goods has risen from $526 million in 1957 to $1.8 billion at present.

Profits in the textile industry, whether measured on sales or percent of equity, lag behind other manufacturing industries. Net profits after taxes, on sales, for 1968 were 3.1 percent, compared with the all-manufacturing average of 5.1 percent. Apparel industry profits are even lower.

The textile industry provides 75 percent of South Carolina's work force with employment, either directly in manufacturing or through related jobs.

All of us in South Carolina are grateful for the efforts being made by Secretary of Commerce Maurice H. Stans on behalf of the textile industry. We hope that his efforts in Japan will lead to a more equitable situation for our textile industry and the people of the United States.

One of the leaders of the textile industry in America is Mr. Robert S. Small, president of Dan River Mills, Inc. In a recent address to the Textile Section of the New York Board of Trade Mr. Small gave a very lucid and informative synopsis of the textile import problem. It is my privilege to present that address for the information of my colleagues at this point in the RECORD:

ROBERT S. SMALL SPEECH TO TEXTILE SECTION, NEW YORK BOARD OF TRADE, JUNE 19, 1969

I had two reasons for choosing as my topic: "Tell It Like It Is". One, it's the "in" thing to do, and if you don't believe me, visit any college campus (providing you have proper escort, of course), or ask your teenage child. Second, when you have the facts as the foundation for your story, why not "tell it like it is?".

Charlie Myers, president of the American Textile Manufacturers Institute, reminded a recent audience of an interesting editorial. The editorial said, in part:

"With its mature economy the United States has outgrown textile manufacturing as an appropriate livelihood . . . The point to remember is that no amount of protectionism can help the textile industry". Continuing, the writer observed:

"Efforts by the President to provide relief for the textile industry are temporary protection against the inevitable day when textiles as a major American industry will not exist."

This editorial appeared in the Washington Post in May 1961, just after the late President Kennedy announced his seven-point program for the textile industry. But shortsighted and ludicrous as the writer's observations were, they brought into focus the pat assumption that textile manufacturing is an easy-entry business, produces commodities so basic, relatively, that a technologically sophisticated and affluent society need not waste its resources, its talents, and energies on producing these things.

This contention is pure hogwash, of course. I'll tell you clearly that if this industry earned its livelihood from producing just basic necessities, the editor of the Washington Post would probably have seen his prediction come true. What he—and many others—fail to comprehend is this; namely, as a society's affluence and technological capabilities grow, its interpretation of needs undergoes evolution, too. Fulfilling a basic obligation to clothe society is almost incidental to our role today. Sure, we do this, but much more besides, and in the process, we not only compete with other textile firms here and abroad, we compete with boat builders, leisure time industries and a host of others. We, like most other industries, are competing for the attention of the rising discretionary purchasing power of the consumer. And in so doing, we have to produce the fabrics and products which suit the life style of a sophisticated, affluent people.

When you come right down to it, there is only one thing basic about the American textile industry—and that is its contribution to the American economic system. Textiles are the mainstream of industrial America! Textiles have a good case to sell to the American public—as mentioned earlier, you members of the board of trade have been our spokesmen in this important market since 1927—let's take a look at our case, both pro and con.

During the past 10 years, sales rose from 14 to 21.5 billion dollars: production increased over 38 percent; and the industry invested almost eight billion dollars in new plants and equipment—which incidentally is 50% of total textile plants and equipment—this is a modern industry!

The textile-apparel industries have 36,000 plants in all 50 states. Today, by any yardstick, the industry is large ($21½ billion annual sales volume), important to the economy (2.5% of GNP), and a significant employer of the Nation's labor force (.03% of the gainfully employed).

However, the full significance of the industry is far greater than these numbers suggest. The chemical industry, for example, depends upon the textile industry for over 50% of its sales volume. The cotton growers depend on the industry to consume most of their output. Moreover, numerous jobbers and middlemen are dependent upon distribution of the industry's products to durable, nondurable, and service industries across the Nation. The products of the industry supply two of the most basic needs of every individual—clothing and shelter. The Nation must have the capability of fulfilling both of these needs by domestic manufacturers in time of war and peace.

In the industrial skill ladder textiles are not at the top, but they certainly are not at the bottom. It would be wonderful if all of our industrial workers were all well-educated and had the potential for the most sophisticated skilled jobs. Clearly, this is not the case—and unlikely to be the case in the foreseeable future. The fact is—and let's tell it like it is—the U.S. needs gainful employment for all degrees of unskilled and skilled employees rather than welfare extension! It needs self-supporting jobs for all, especially in our underdeveloped areas and in our urban ghettos. Consider Appalachia for a moment which is a case in point. In the Appalachian region, embracing 373 counties in several major textile producing States, there are some 453,000 people employed in the textile industry alone. In many of these counties, textiles account for almost all manufacturing employment.

Another case in point is right here in New York City where over 325,000 persons are employed in the textile and/or garment trades.

The fact is we are providing steady, gainful employment in many of our most needy areas. Our theoretical economist would do well to recognize this.

Although textile wages are somewhat below the national average for all manufacturing, with the most recent wage increase just announced, textile wages will have been increased eight times since 1961 and payroll costs, including fringe benefits, upped more than 60%.

At the same time the wholesale price index for textile mill products shows an increase of only .06% over 1957–59. Many important textile items such as carpeting show a reduction in price. The wholesale price index for textile mill products throughout 1968 averaged 100.6 compared to the all-industrial commodity index in 1968 of (109%). Certainly, textiles are not contributing to the inflationary price spiral affecting almost all other consumer products.

How do you account for this tremendous performance? Maybe this way! For the past 23 years, the textile industry has increased its productivity at an average rate of 4.5% per year (which is absolute and does not include inflation) while American manufacturing as a whole has averaged only 2.8%. Somehow this impressive performance by our industry doesn't get the headlines which are accorded to more sensational subjects.

Closely associated with these facts, is the question of equal employment opportunity. The industry has made dramatic progress in recent years, newspaper accounts notwithstanding. It is ironic, indeed, that one of the newspapers which has pontificated regularly about the alleged sins of the textile industry in this regard found its own house was not in order, and that its performance in equal employment opportunity was something less than impressive. It will come as no surprise to you that this publication did not use its own pages to publicize its own shortcomings.

Negro employment in the textile industry has advanced four times faster than the national average for all manufacturing since 1960. While employment ratios vary from company to company and state to state, the textile industry offers unusual opportunities for unskilled Negro employees to become productive and skilled members of the manufacturing segment of our economy.

Since 1960, for example, the number of non-white employees in the industry has tripled, from only 3.3 percent to over 9.5 percent in 1968. It is undoubtedly higher today. In my own company, this figure currently is nearly double that—or more than 17 percent. And in some mills, as many as 50 percent of all new hirings in 1968 were Negroes.

The improving role of the Negro in the textile industry is reflected in both opportunities for initial employment and opportunities for advancement. U.S. Department of Labor statistics show that of the 984,000 production workers employed in primary textiles in 1968, approximately 94,000 were Negroes. This was an increase of 10,000 over 1967.

And, I predict that over the next decade the employment and promotion of Negroes and other minority groups by the textile industry will be the most important single economic factor effecting our total economy during this period. We will provide this opportunity as no other industry can.

Against this background of achievement, progress, and economic contribution to our nation's welfare, the future contribution of this vast industrial complex is being besieged by a steadily growing flow of low wage imports.

Let's take a realistic look at this import picture—

In 1968, textile imports exceeded 3¼ bil-

lion square yards. This left us with a textile trade deficit last year of $1.1 billion and the gap grows wider every year.

Worship at the altar of free trade has become one of the rituals of our age. Prominent among the worshippers—to mix metaphors—are those whose ox has not been gored by imports. But free trade simply does not exist. There is nothing free about trade unless the rules are the same for everyone. And this clearly is not the case. In this imperfect world, it is not likely to be in the future.

It is high time that some responsible economist or government official addressed himself—honestly—to the subject of so-called free trade.

There has never been free trade among independent nations—there is none now. Cordell Hull at least addressed it for what it was intended to be when he fathered our present trade policy with the "Reciprocal Trade Act of 1934". Reciprocal was the word then and the intent then. It should be now!

Somehow over the intervening years, we have lost the drive for reciprocity and have allowed our trade policy to be dubbed "free trade", by certain elements of the press and the professional economic fraternity. "Free trade" has become an unimpeachable clarion call, such as the Bible, the Bill of Rights, or motherhood. No man can question it, much less condemn it—except to risk castigation as an irresponsible profligate advocating the utter ruin of the world—not just the United States. But let's face it, there are circumstances when even motherhood is not the most desirable condition.

President Nixon has also seen fit to describe his trade policy as free trade. And, I hasten to add, I for one, believe there is no creditability gap in the White House. But why doesn't someone say it like it is and affirm a policy of organized trade!

Organized trade is flourishing in the world today and our trading partners recognize it as such. Our trade negotiators were astonished to learn last year that all of the members of the E.E.C. had secret import quota agreements with the Far Eastern countries, including Japan—and had had them for several years.

Before the so-called Kennedy round of tariff reduction agreements of 1967–68 were even begun to be implemented, our trading partners in Europe were increasing border taxes, custom duties and other trade impediments, in some cases by more than the tariff reduction.

Here are just a few of the hidden trade restrictions which exist among the so-called developed trading nations which to this date have been non-negotiable: Border taxes, custom duties, transportation tax, added value tax, import licenses, trading associations, government subsides, downright embargoes. I'm sure there are many more.

Now, let's speak specifically about Japan—

The arrogance of Japan in refusing to discuss quota restrictions on wool and manmade fabrics with the Stans' Mission last month is incomprehensible. If the facts were known, Japan, the free world's second most advanced country economically, is probably exporting directly or indirectly to the United States well over 35% of all imported goods, and possibly as much as 50% of manmade blends.

Do you realize that Japan is running a surplus trade balance with the U.S. of over $1 billion annually?

Do you realize that while Japan ships into this country over a billion yards of cloth annually, yet Japan effectively embargoes U.S. cloth from her market? What kind of reciprocity is that!!

Do you realize that Japan, a mature economic nation, pays her textile workers less than 40c per hour? And, in addition, frequently subsidizes her exports—by our standards both illegal—yet, our textile workers lose their jobs while our Government tolerates an ever increasing percentage of these imports.

Do your realize that Japanese have 100% owned textile plants in this country, yet U.S. textile firms are forbidden ownership in Japanese textiles?

Do you realize that Japanese manmade fiber producers are constructing or have constructed plants in Korea, Taiwan, Thailand, Indonesia, and are looking at the Philippines—in some cases aided and assisted by the Japanese Government?

Secretary Stans went to Japan, pointed out the fact that the U..S. was the only free market in the world for textiles, that imports of textile products had increased 300% in six years, and that Japan had gotten more than her share of this increase.

He indicated Japan would not be asked to reduce its exports to the U.S. but in addition would be allowed to participate in the annual anticipated growth of the U.S. market. All he asked was that Japan join with the U.S. and work out some orderly organization of this textile trade—he didn't even suggest that Japan lower her barriers to the U.S. textiles.

What did he get? An insulting rebuff. Responsible textile officials refused even to meet with him. No high American official in recent years has been treated so discourteously by Japan—a country, as I said, enjoying a fat trade balance over one billion dollars and whose budget for defense in effect is paid for by the American taxpayer.

There is a question of equity and fairness involved in the textile situation. What we are talking about is simply this. Must the U.S. carry almost the entire burden of reciprocity when it comes to the textile industry?

Less developed countries have been singled out as being readily adapted to the production of textiles. Consider the situation of 19 less developed countries in Latin America and Asia. In 1967 these countries had a favorable balance of trade in textiles with the U.S. of $318 million dollars. On the other hand, the E.E.C. countries with an aggregate population equal to the U.S., sold $50 million more in textile products to these 19 less developed countries than they bought from them. In the case of Japan again, that country had a favorable textile trade balance of $211 million with these same less developed countries.

In other words—and putting it bluntly—the U.S. is on the short shaft of both the developed and underdeveloped countries—and the shaft is sharp, not blunt.

In spite of these problems, whatever an American does or wants to do—go to work, drink cocktails, ski at Aspen, cruise the Bahamas, take a bath, camp at Jackson Hole, dance at discotheque—we provide him with a selection of products and a selection of prices.

The choice of textile products today is literally unlimited. When one considers what technology and fashion have accomplished with just three basic weaves of textiles, it's truly amazing.

The Bureau of Census publishes periodic production figures on more than 350 different variations of the basic weaves. When you count the blend possibilities of at least 14 generically different fibers, including cotton, manmades, wool and silk, we already have a near-infinite number of basic fabric possibilities.

Now add to this the more than 100 chemical and mechanical finishes—consider the fact that there are somewhere between 40,000 and 50,000 different printed fabrics in retail stores at any one time—bear in mind that the Bureau of Standards lists five million conceivable color possibilities for textile products—then consider that clothing design by itself offers virtually unlimited possibilities to the consumer.

All told, it's not difficult to conclude that every man, woman and child in the United States could easily be provided with a complete wardrobe—and no two garments would be exactly alike.

We are going to continue to offer to the American consumer exciting new products to stimulate the imagination and satisfy the demands of the world of tomorrow—we have every intention of meeting the obligations imposed on us by a changing economy and a viable social structure. We have done so in the past; we can do better in the years ahead, it is our purpose to do so.

We refuse to be tolerated or written off by the Washington Post or any other simplistic theorists who have deluded themselves into believing that textiles is a simple, elemental industry.

This industry is an integral factor in the Nation's complex economic system. We are an important and vital contributor to all facets of our national life. We will strain our talents and resources to assure this continues to be true. We insist we be recognized for what we are and what we do, and are ready to do combat with those who would cast us in a lesser role.

Gentlemen, that's telling it like it is and like it has to be!

Mr. DORN. Mr. Speaker, I thank my colleague from South Carolina. You have a good many people in the Appalachia region who are associated with the textile industry and who are living in small rural areas. Their jobs are being threatened by unfair, low-wage imports. There is no question of excessive textile imports keeping us from maintaining a vital economy in the gentleman's district.

Mr. PREYER of North Carolina. Mr. Speaker, will the gentleman yield?

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

Mr. PREYER of North Carolina. Mr. Speaker, I appreciate the remarks of the distinguished gentleman from Arkansas, Mr. MILLS.

I want to say thank you on behalf of the textile workers and on behalf of the grocery store operators, the filling station operators, and the school teachers of North Carolina to Chairman MILLS and the other distinguished gentlemen who have spoken today about the textile problem. In short I am expressing the appreciation not just of the textile industry but of the entire economy of North Carolina and of the South.

I believe it is an unchallenged fact of American history that our section of the Nation has traditionally supported a foreign policy that encouraged the participation of the United States in efforts for international cooperation.

We understand that trade has an important role to play in bringing the nations of the world together and that the United States accepts a large amount of textile imports in the interest of world trade. We cannot, however, allow other countries to prosper at the expense of our own domestic textile market, and thereby create additional economic problems in a part of our country only now realizing the profits of the industrial revolution.

The distinguished gentlemen who spoke before me gave you many alarming facts concerning textile imports. It is evident that restraints must be levied against rising imports in order that the best interests of our own domestic market be protected. What is needed is a new

international arrangement which would make possible these restraints. Japan, Hong Kong and other textile importing countries are going to have to agree to negotiations concerning this problem or this Congress will be forced to act out of necessity.

I would prefer that we achieve this protection through negotiation rather than unilateral action. That would be better for the country and better for the free world. It would certainly be better for the South. But I agree—if not soon that way, then Congress will have to act.

One statistic alone should be enough to convince us of the imperative nature of our need. That was cited by my friend and colleague from North Carolina (Mr. JONAS) an increase in the U.S. textile trade deficit from $766 million 10 years ago to $1.1 billion last year.

This is not just a selfish one State or one region interest. Our national welfare requires that the problem be resolved quickly and effectively.

Mr. DORN. Mr. Speaker, we are grateful to the gentleman from North Carolina for pointing up how the textile import problem affects virtually every business and every school in our area. There is a school district in my own congressional district where the tax revenue generated by a newly established textile plant helped so tremendously that they were able to erecte the new schools that they had long needed. In fact, the tax revenue produced by this plant made possible the erection of the first air-conditioned high school in the State of South Carolina. Now, however, increasing imports of textile articles jeopardize the future of this plant and in fact the fundamental economic base of my district and State.

The gentleman is absolutely correct. This means so much to education and to all segments of our economy in moving our Nation and particularly our area forward.

Mr. Speaker, I do want to say that the only real solution to this recurring problem is a multilateral agreement to limit a reasonable degree imports into the United States. No form of a one segment agreement will work, but it will take a multilateral agreement which will cover all categories; cotton, wools, blends, manmade fibers, and all other categories of the textile industry.

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

Mr. DORN. I yield further to my distinguished chairman of the Armed Services Committee who made an outstanding statement a moment ago that I believe will go around the world because he knows, perhaps, more than any man in the United States that our Armed Forces, that our space program and everything that we are engaged in with reference to the strength of America is dependent, next to steel and gunpowder, upon the textile industry, food and fiber.

Mr. RIVERS. I want to thank the gentleman from South Carolina. I want to thank the gentleman for carrying forward the cause of our textile mills.

Mr. Speaker, the gentleman from South Carolina (Mr. DORN) has kept our textile group together. He has given tremendously of his time, his wisdom, and his great experience. I think he has helped today to focus upon the activities of Japan and our other textile competitors the question of whether or not our friendly relations in this area will be affected or will the Congress be compelled to unilaterally act in this area which we strive to avoid.

I agree with the necessity of Secretary Stans and all who have been elected and selected to represent us at the varying places throughout the world on this subject. This is the only man who in my opinion has talked since so that I as a layman can understand what is going on.

It is my further belief that the message today will go forth since I have heard the distinguished gentleman from Arkansas (Mr. MILLS) speak as well as these other giants of the Congress in warning as to what may happen if this admonition is not heeded.

Mr. Speaker, I wish to again thank the gentleman from South Carolina who has done such a magnificent job for the State of South Carolina. The Nation is proud of him.

Mr. DORN. I want to thank my beloved and distinguished colleague, the chairman of the Armed Services Committee of the House of Representatives of the United States of America.

Mr. HAGAN. Mr. Speaker, I join with the Honorable WILBUR MILLS and many of my other colleagues in the House today to express my concern over the problem of textile imports into the United States. This is a matter of great interest not only to the Congress, but to the administration and virtually everyone in the U.S. textile industry.

The situation was brought to surface during the present administration when the President was touring in Europe earlier this year. Suggestions to curb the situation have been met with strong resistance by countries involved. With almost one-half of our Cabinet in Tokyo for meetings this week which will no doubt include the subject of textiles and with meetings to be held in other countries at a future date, everyone will be anxiously waiting to see if agreements can be met to provide a basis for fair and orderly participation by all nations involved in the U.S. market.

Looking at the overall import problem of textiles, those opposing import limitations declare that the industry has experienced a few good years, but by the same token, they concede that the problems of the present and the future do not resemble those of the immediate past. In effect, they have admitted there is a "serious import situation" in certain man-made fibers.

Apart from whatever economic justification can be made, the continuing requests for comprehensive quotas rest ultimately on the Congress if voluntary, quantitative restrictions cannot be negotiated at these meetings.

Textile imports have continued to move upward, and sometimes the flow has been tabbed at a very substantial rate. At stake are our balance of trade and our economy.

Because these countries have not placed voluntary restrictions on their exports, and because the textile import problem grows progressively more serious, several of us in the House and in the Senate have introduced import control legislation during the 90th and the 91st Congresses.

Some protections of the items not covered by the Long-Term Agreement for Cotton Textiles must be found and hopefully, this Congress will seize the opportunity to stem the tide of imports if the representatives of the foreign governments and industries cannot come to agreements with our elected officials.

Mr. ULLMAN. Mr. Speaker, the distinguished chairman of the Ways and Means Committee, the gentleman from Arkansas (Mr. MILLS) has again directed the attention of the House to the urgent need for an all-fiber solution to the import problem facing the U.S. textile industry. I applaud his initiative, and I reaffirm my position that a legislated solution to this problem will be necessary if the cooperation of other principal textile producing nations in achieving a negotiated solution is not promptly forthcoming.

I am concerned about the impact of wool textile imports, which have risen to 26 percent of U.S. consumption, approximately double their 1961 level. I am also concerned by the rapid rise in imports of manmade fiber textiles.

Secretary of Commerce Stans is now in Tokyo, where I understand he will this week renew his efforts to persuade the Japanese Government to agree to participate in the negotiations of an international arrangement on trade in wool and manmade fiber textiles. It is timely, therefore, that we review U.S. trade relations with Japan, particularly textile trade relations.

Between 1961 and 1968 Japanese exports to the United States of woven wool fabrics grew from 15 million square yards to over 49 million. Japan accounted for 76 percent of the increase in woven wool fabric imports into this country during that period. In the process, Japan increased its share of total U.S. imports of such cloth from 35 percent to 56 percent.

Japan has enjoyed for years the highest economic growth rate of any major country in the world and is now the second ranking manufacturing power outside the Communist bloc. The United States has contributed vitally to this remarkable achievement by technical and financial assistance following World War II, by opening our markets to Japanese exports and by tolerating Japan's restrictive trade policies regarding manufactured imports and foreign capital investment.

The importance of U.S. imports to Japan's manufacturing-oriented growth strategy—manufacturing accounts for about 30 percent of her gross national product and 87 percent of her exports—can be seen in 1967 statistics that show we absorbed fully 34 percent of her total manufactured exports. Japan's natural market area, the rest of the Far East, accepted about 33 percent of her manufactured exports, with the remaining 33 percent divided among the rest of the

world's nations. Total U.S. imports from Japan, overwhelmingly manufactured, more than tripled between 1961 and 1968 alone and exceeded $4 billion last year.

I am certain most Americans are pleased that we have been able to assist Japan in her postwar recovery and expansion, although they might have preferred to see other prosperous countries bear a more equitable share of the burden. But we have arrived at a situation in which the growth rate of Japanese exports to the United States, and in particular their concentration in textiles, is beginning to generate serious economic and social problems for this country. The gravity of the situation in textiles is such that we cannot afford to accept Japan's refusal to negotiate a solution.

Development plans recently published by the Japanese Government call for maintenance of an average annual real GNP growth rate of 12 percent between now and 1980. These plans depend to a unique degree upon growth in manufactured exports.

As sympathetic as I am to Japanese aspirations, we must not sacrifice our domestic textile industry—hence our domestic wool producing industry—so that Japan's Gross National Product will grow at a fantastic 12 percent per year.

We cannot sacrifice our textile industry and its workers on the mistaken assumption that we are helping a poor, developing nation. Japan is a developed, formidable industrial power. It is true that real incomes for the masses are low in Japan, notwithstanding its remarkable postwar growth, but this is because Japanese policy has kept them low, not because the country is poor or underdeveloped. Japanese planners and industrialists have chosen to channel 30 percent of her gross national product into capital formation rather than to permit more rapid expansion in consumption per capita. That is why wages are low.

Japan, of course, is free to determine how its economy is to evolve in the future, as well as how the proceeds of rapid growth are to be divided between workers and other income claimants. But Japan cannot expect the Government of the United States to stand idly by while its own essential textile industry falls victim to the effects of the export calculations upon which that nation's ambitious growth plans are clearly based, we have a right to expect the cooperation of the Japanese in solving this problem. Otherwise, the Congress must act—promptly and decisively.

Mr. GRIFFIN. Mr. Speaker, I commend the gentleman from Arkansas for initiating a discussion in the House on problems associated with textile imports.

Twenty-two percent of all manufacturing in Mississippi is in the apparel industry. Close to 40,000 families depend upon a strong apparel industry to provide economic necessities of life for themselves and their families. It is to be hoped that early, reasonable, and adequate solutions can be found to the ever increasing problems of imports of textile products. Otherwise, severe unemployment and more depressed areas are in prospect.

Mr. BURLESON of Texas. Mr. Speaker, the warning from our esteemed colleague from Arkansas on the critical situation in which we find our international trade cannot be overemphasized.

I would like to take just a moment to express my wholehearted support for the concern expressed by Representative MILLS, and illustrate just a bit of my concern for this situation.

Day by day we are finding our industries suffering more and more from the import of low-wage-level products. Of very serious concern to me and to my many fine constituents in Texas is the rapidly growing threat of unchecked imports of apparel and textile items.

Apparel manufacturing is a significant economic factor in my State of Texas. We now have nearly 57,000—56,600—apparel workers whose annual income is some $205 million. This employment, incidentally, has been increasing steadily since 1965, when we had 47,000 apparel workers.

There are numerous apparel industries located within my congressional district. Although not extensive, they are highly important to the economy of the area and, of course, to the employees of the industry.

Just to the southwest of my district is the city of El Paso, nestled in the foothills of the Rockies. Here is one of the major apparel producing areas in the United States. The apparel industry there is also a major employer of minority workers. It is significant to note, too, that nationally the apparel industry is a consistently greater employer of minority persons than most other industries. Last year, the national average for nonwhite workers in the manufacturing industries was at 9.7 percent. At the same time, however, the apparel industry's nonwhite employment stood at 12.7 percent considerably above the national average.

Mr. Speaker, we just simply cannot afford to lose an industry such as this that offers the low-skill threshold entry opportunity such as the apparel industry offers. This is the stark reality we face if the continued, unchecked growth of textile and apparel imports, particularly in wool and manmade fibers, is not governed by an orderly access arrangement whereby we can share the growth or decline in our markets with the developing nations of the world.

You know, Japan now enjoys the second largest gross national product in the free world, yet takes only 2 percent of the apparel exports from the developing countries of Asia. The United States takes 75 percent of these exports.

We are also talking about an industry that is doing much to alleviate the increasing unemployment in our other major underdeveloped area here in this great country—the core city. Just as in Texas, many of our Nation's apparel manufacturers are able to locate in rural areas, offering employment to individuals who might not otherwise be able to contribute to a family income. Offering this employment in the rural areas has a decided effect on the concentration of unemployed in our core cities, and the competition for available employment. Incidentally, these plants, modern in design and landscape, do not pollute our air, nor our vital water resources.

Just as an aside, I might point out that our two great cities of Dallas and Houston are now known as major fashion centers in this country, thus giving the apparel industry even greater emphasis in the Southwest.

Again, let me congratulate Representative MILLS and others for their very significant leadership in expressing our concern over the present international trade situation. I am confident that Commerce Secretary Stans enjoys overwhelming support for his position that any agreement in the apparel and textile import area must be for a total arrangement. Such an agreement must cover all fibers, whether natural or manmade.

The apparel-textile complex is an extremely vital segment of our industrial sector and we cannot afford the luxury of allowing it to decline.

Mr. ANDREWS of Alabama. Mr. Speaker, this Nation's strategic textile industry is facing a grave crisis in the form of foreign textile imports. Action must be taken now to save this vital industry, which time and time again has demonstrated its importance to our national defense and to the 2.4 million workers that it employs.

It is ludicrous to think that our American textile producers can compete with low-wage textile-exporting nations. We can no more force Japan to raise her industrial wage standards than we can force her to give us military assistance in Vietnam, where we have been fighting for the defense and indeed survival of a free Southeast Asia.

While our own Government requires our textile industry to pay the minimum wage, $1.60 per hour, it circumvents its own law by permitting a flood of textile imports, made with labor that is paid 15 to 30 cents an hour, to come into this country completely unrestricted. In other words, our Government is permitting foreign goods, made by cheap hourly labor, to put out of work the people the minimum wage law is supposed to protect.

In fact, all textile imports would be in violation of our U.S. statutes were they made here, because it is illegal to ship manufactured products from one State to another that are made by people who are paid less than the legal minimum wage.

Despite the fact that the textile industry operates with unmatched efficiency, has ample capacity to supply the needs of this country, and sells at prices less than they were 20 years ago, over 2 billion yards of imports caused mills in this country to run short time in 1967.

What we can and must do to protect our own industry and our own workers is limit textile imports from foreign nations that threaten to wreck this important segment of our economy.

It is easy to see the disastrous effect cheap foreign textile products are having on our domestic industry. This Nation imports about $800 million more in cotton, wool, and synthetic fibers than we export. This is a textile trade deficit that we can no longer ignore.

The dilemma facing textile manufacturers across the Nation was evidenced

recently when following a general wage increase that added about 6 percent to present wages, an Alabama manufacturer told one of his big customers that the wage increase would mean a slight increase in the price of knitted tee shirts to him. Whereupon, the customer declared that he would not consider paying any additional price increase at all and would buy his goods from the Japanese where he could get them cheaper. The loss of that customer meant that half a million dollars left my State.

The Secretary of Commerce has admitted that the worsening situation could mean the loss of some 600,000 jobs. Many of these jobs are being filled by the disadvantaged and unskilled, for whom the Federal Government has committed itself to spend millions of dollars. Are we to surrender our textile market to Japan and throw American men and women out of work for the sake of some political or diplomatic gratuity? To do so would be unthinkable and tragic.

Our textile industry can never hope to fulfill the vital role of employing the unskilled if it is forced to compete with the unregulated flow of imports from countries whose access to this market depends almost exclusively on the fact that the wages paid their textile workers would be intolerable in this country.

Our efforts at orderly trade in textile articles have been unsuccessful so far, since negotiations with Japan have produced an unwillingness by that country to agree to voluntary quotas. Of course, being rebuffed by foreign nations is certainly no new experience for the United States. Everyone wants the American dollar, and we have been ridiculously generous in the past, but no one wants to reciprocate.

It appears that voluntary limitations will not be adopted, based on the Japanese attitude to date. Therefore, mandatory quotas must be set for the essential protection of the American workingman and American industry.

Mr. Speaker, I know well the contributions of the textile industry to my State. It is the second largest industry in the State of Alabama, employing 42,200 people, and this year their annual wage will climb above the $200 million mark.

Textile men have been among the outstanding citizens, civic and government leaders in my district and State. They span the course of history, providing the canvas sails of the clipper ships in the commercial fleet of the United States soon after the War for Independence and now providing some of the latest textile needs for the Nation's space program.

This industry is essential to my State and to our national economy. I shall not stand by while hardworking American men and women are pushed aside and a great and valuable industry is given back-seat treatment for the sake of contributing to the economic boom of some foreign nation.

Mr. BLATNIK. Mr. Speaker, I would like to take this opportunity to express my appreciation to that great and able Representative from Arkansas for his very knowledgeable and authoritative remarks concerning our international trade situation. Let me assure you that we all share in your deep concern relative to this gnawing and growing problem.

One of the critical problem areas, of course, concerns the import of apparel and textile items. I would like to take just a moment to illustrate the importance of this vital industry to the economy of my area, and to the economy of a vast share of our great country.

Employment has been a chronic problem in my district due to the continuing depletion of the high-grade natural iron ores. Fortunately, the apparel industry has been able to move in and offer employment to many of these wonderful people who otherwise would be facing a serious employment crisis.

The apparel industry has been able to offer a similar economic uplift to other depressed areas of our country. The vast Appalachia area, for instance, stretching through a significant sector of our country, has felt the economic gain from this vital apparel industry. In this area, 25 percent of the manufacturing workers are in the apparel-textile industry. This is an industry which can provide jobs to relatively unskilled or semiskilled workers. Training can be done on the job after the person has been hired, and high educational levels are not needed for the majority of jobs in this industry.

This means that the apparel industry has also been able to offer a source of employment to another underdeveloped area—that of our core cities, where we have traditionally had the highest unemployment rates among the many minority groups. In the apparel industry, nonwhite employment runs consistently higher than the national average for manufacturing industries. In 1960, apparel employment of nonwhite workers was 11 percent, compared with the national average of 7.6 percent. In 1968 nonwhite apparel employment had grown to 12.7 percent, compared with the national average of 9.7 percent. Nonwhite employment in the apparel industry in 1968 is estimated at 180,000.

According to the Bureau of Labor Statistics, nonwhite employment for the first quarter of 1969 was running at a rate of 10.6 percent for textiles and 13.5 percent for apparel, or some 23,000 jobs ahead of last year.

These national figures, however, show only a part of the picture. The new hires in many individual firms are running as high as 40 to 50 percent.

Are we to allow these vital job opportunities to be sluiced away to oblivion because foreign imports from low-wage countries force our manufacturers out of business, or constrict their expansion plans?

Let me again urge each of you to heed the warning expressed so eloquently by the distinguished chairman of the Ways and Means Committee, the gentleman from Arkansas (Mr. MILLS). Unless an equitable international arrangement, covering the import of all major fibers and apparel is effected, the apparel-textile industry cannot make plans for growth, plans to hire more people, start up new plants, or enter the new areas where reserves of unemployed people are waiting to work. We cannot and should not settle for less.

Mr. FISHER. Mr. Speaker, as Representative of the principal woolgrowing district in the Nation, I have for years worked with my colleagues from fiber-producing and textile areas to provide some relief for the U.S. textile industry from the increasing disruption being caused by foreign imports.

I have seen wool-textile imports double their share of the U.S. market in the 8 years since the Government's textile program was initiated, with no sign of an abatement in the upward trend. And I am concerned, not only for the welfare of the textile industry and its employees, but because the woolgrowers of the United States have no market other than the wool manufacturers of this country.

As a member of the Armed Services Committee, I have been acutely worried over the erosion of the potential of our domestic wool-textile industry to meet essential defense requirements in the event of a national emergency. As Col. Robert T. Stevens, former Secretary of the Army, recently pointed out:

> In my considered opinion the American woolen and worsted industry as presently constituted is incapable of producing the huge quantities of fabric for military, medical and essential civilian use that would be required during any all-out emergency. I have testified to this effect before Committees of Congress. We have to turn the industry around pretty quickly if it is to survive as an important segment of the economy. The most vital step that can be taken is to put some rule of reason into effect now with regard to wool textile and apparel imports. Our national security is deeply involved in this situation. Suppose we had to fight in a temperate or cold climate. Are we going to rely on Japan for our uniform fabric? I don't think that is the desire of the Congress or the American people.

Congress has wisely declared that production of wool is essential to the security of the United States, but the security value of wool depends upon the existence within this country of capacity to manufacture it into usable textile products.

So, Mr. Speaker, I have been encouraged by the determined efforts of the present administration to deal effectively with the textile import problem. Secretary of Commerce Stans has our wholehearted support in his continuing attempt to negotiate an international arrangement on trade in wool and man-made fiber textiles. Secretary Stans, in an address in Tokyo on May 13 of this year, explained that—

> (1) The United States is the only remaining free market for textiles among the major nations of the world. All the others have imposed restrictions of one kind or another on imports. The United States just cannot absorb the entire potential output that all the producing nations can deliver. Isn't this understandable?
>
> (2) If this problem is worked out promptly, no jobs need be lost in Japan or anywhere. We are willing to allow all producers to share in the growth of our market. All we seek to do is to stop a growing wave of imports that will deluge our markets and bring catastrophe to our industry and its workers. Isn't this reasonable?

Therefore, we seek an international un-

derstanding on textiles. In view of the circumstances, we regard such an accommodation as necessary to preserve the overall thrust of our policy toward freer trade. An exceptional circumstance does not deny the major premise in open markets.

If Japan and the other major textile-producing nations of the world fail to heed the Secretary's words, a responsible U.S. Congress will have no alternative but to do so.

Mr. WILLIAMS. Mr. Speaker, in 1968, the importation of textiles reached an alltime record of 3.2 billion square yards. This is twice the yardage imported in 1964. This means that 1 out of 4 yards of textiles purchased in 1968 was imported. The impact of this on persons employed in textile and apparel mills is most serious. At the present level of importation, 200,000 jobs are being displaced annually because of the increase in textile imports. The trade deficit in dollars is $1.1 billion, which quite obviously has been damaging to our balance-of-payments situation.

The flood of imports must be brought under control. They are not entering the United States because foreign textiles are any better, for America manufactures the best textile products. They are entering this country because they are made at wage scales and under working conditions which would be illegal in this country.

Everywhere we turn we hear pleas for welfare programs to help this or that segment of our society. By bringing under control the burgeoning increase of textile imports, this Congress has an opportunity to help and protect a large group of hardworking Americans who are being unnecessarily oppressed by these low-wage imports.

Mr. FULTON of Tennessee. Mr. Speaker, I wish to associate myself with the remarks of the distinguished chairman of our Committee on Ways and Means. As usual, he has placed the issue in its proper perspective. I would hope that the representatives of our Government and, in particular, the representatives of the Government of Japan will take note and act accordingly in their deliberations in the joint United States-Japan economic ministerial meeting tomorrow in Tokyo.

The statistics on imports of textiles and apparel into the United States, particularly in recent months, make crystal clear the growing threat hanging over the heads of the textile companies and their workers. The rates of increase in imports of textiles and apparel can no longer be ignored or explained away by appeals for consistency in trade policy or sound international relations. For what is at stake is the maintenance of a sound and viable textile economy and just as important, continuation of textile and apparel production and jobs in literally hundreds of small communities throughout the country.

I believe the chairman is right in that congressional patience is wearing thin with continued delay on the part of the executive branch in reaching agreement on wool and manmade fiber textiles and apparel. Congressional patience is even more sorely tested by the intransigence of the Japanese Government, its textile industry, and those in Europe who continue to oppose a reasonable solution to the textile problem.

There seems to be a lack of appreciation that individual Congressmen must be responsive to the threat posed by the rising tide of textile and apparel imports. In my district, I have one of the larger manufacturers of work clothes. Even under the International Cotton Textile Arrangement, imports have poised a larger and larger threat to the health of this operation. Should some reasonable degree of import control on apparel imports of manmade fiber not be reached, the economic contribution that this plant makes to the economy of the community is in grave danger.

I believe that the Japanese textile industry and the Japanese Government should have some appreciation for the importance of the broad U.S. market not only in textiles but in a growing number of manufactured goods. The continuation of the unwarranted increases in textile and apparel exports to the United States threaten not only their share of the domestic textile and apparel market but their export interest in the market for other manufactured goods as well.

I can only echo the chairman's hope that reasonable controls on the exports of wool and manmade fiber textiles and apparel can be achieved through international agreement at an early date in order that the hundreds of small textile firms and their workers in the small communities throughout the country may be assured that they will have an opportunity to compete on a fair basis.

Mr. KUYKENDALL. Mr. Speaker, I am glad to join with the distinguished chairman of the Ways and Means Committee and my colleagues who have expressed their deep concern over the textile import situation.

While we do not grow much cotton in the Ninth District of Tennessee, the textile industry is a vital bulwark to the economy of Memphis and the surrounding territory. Every segment of this key industry, from the cotton producer to the manufacturer of finished textiles has a stake in the import policies concerning textiles.

In order to protect the hundreds of thousands of people who earn their livelihood in some phase of textile production, we must demand a realistic approach to control of cheap foreign imports. American businesses, American workers and American farmers must be protected against unfair competition if they are to survive.

For these reasons I believe the concern of the chairman of the tax writing committee is fully justified and I support his efforts to find a workable solution to a very serious problem.

Mr. RUTH. Mr. Speaker, the matter being discussed by the gentleman from Arkansas is of great importance to the residents of the Eighth Congressional District of North Carolina. Millions of dollars have been invested in the textile industry and thousands of workers are dependent on this vast business for their livelihood. The industry has established an enviable record of accomplishment. It is my hope that those officials representing our Government will present the position which will protect our people. It is no secret that there is a real effort being made to shift textile production in some areas of the world to the cheap labor market.

There is an urgent need to maintain the high level of production in our country and to protect our workers and our industry from the competition of cheap labor. It is my hope that the standard of living can be raised in all nations without injury to our own.

Mr. KYROS. Mr. Speaker, I would like to commend Chairman MILLS for his attention to this very important problem of textile imports, and I would like to associate myself with his remarks.

More than 12,000 residents of Maine are directly employed in the textile industry, and many more persons feel that their livelihood is directly threatened by the alarming increase in textile imports from foreign nations. I am especially disturbed by the decline which is taking place in the funds spent in Maine for textile plant modernization and equipment; it is all too obvious that manufacturers are uneasy about the future of the textile industry at a time when foreign imports are increasing at such a rapid rate.

The Secretary of Commerce has correctly pointed out that our textile industry can accept existing levels of imports. This industry is, however, far too large to be realistically assisted by remedial measures which do not stabilize future imports at a reasonable level. I would like to pledge my support to all efforts which will bring some very much needed clarity and stability to the future of our textile industry, for the future is cloudy and bleak indeed without such action limiting foreign imports.

Mr. BROYHILL of North Carolina. Mr. Speaker, I am glad that the gentleman from Arkansas (Mr. MILLS) has taken this time to explain to the Members of the House some of the problems facing the American textile industry. Simply stated, if imports of foreign textile products continues unabated, America stands to lose thousands of jobs in the textile industry. These are American wage earners and taxpayers. Why should we in the Congress permit such a great industry, employing hundreds of thousands of people, to go down the drain?

I do not think this Congress will permit this to happen.

I am pleased with the efforts of the Nixon administration to solve this import problem through negotiations with foreign governments. Secretary of Commerce Maurice Stans has made extensive trips to other countries in an effort to arrive at a settlement. President Nixon has personally stated on his trips abroad that the American textile industry deserves some relief. It seems to me that the Congress of the United States can back up and support these efforts. I know that Representative MILLS and many others on both sides of the aisle stand ready to assist in any way. I commend these efforts.

Mr. RARICK. Mr. Speaker, the need for some fairly administered, reasonable control on textile imports has never been greater than it is today. The flood

of imports from low-wage countries is threatening to destroy the domestic textile industry and in destroying this industry will take with it the domestic cotton industry which in turn would free 16 million acres of productive farmland for planting into other crops which in turn would destroy their markets.

The cotton industry is not asking that the level of imports be rolled back to the level of the early 1950's when total textile imports were much less than they are today. In the same respect, the cotton industry cannot live with a level of imports which gives to foreign manufacturers practically all of the growth in the American textile market. However, such a situation now exists. Virtually all of the growth in the American textile market is supplied by foreign manufacturers. While mill consumption of cotton in the past 20 years has increased by about 1 million bales, the increase in cotton imports in manufactured form has also increased by about 1 million bales. The need to correct this situation is urgent. The most responsible solution seems to be a fairly administered, reasonable restraint on textile imports which would allow the foreign manufacturers a reasonable portion of the increase in domestic markets while reserving for domestic manufacturers the bulk of the home market's growth.

This proposal does not seem unreasonable; yet representatives of our Government sent abroad by President Nixon to discuss the intolerable trend in textile imports constantly have been rebuffed by foreign officials. The time has come for the Congress to act if a lack of cooperation in solving the textile import problem persists among our trading partners around the world.

If we do not act, the United States will become the textile dumping ground for cheap labor manufacturers from all over the world, causing untold damage to our domestic economy. Today's threat against U.S. textile goods is tomorrow's threat against every U.S. manufacturer.

GENERAL LEAVE

Mr. McMILLAN. Mr. Speaker, I ask unanimous consent that all Members may have 3 days in which to extend their remarks on the subject of this special order.

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

There was no objection.

CLOSING OF PASSPORT OFFICES

The SPEAKER pro tempore (Mr. ALEXANDER). Under a previous order of the House the gentleman from Connecticut (Mr. WEICKER) is recognized for 48 minutes.

(Mr. WEICKER asked and was given permission to revise and extend his remarks and to include extraneous matter.)

Mr. WEICKER. Mr. Speaker, I address my comments this evening to what has become a national disgrace.

It was over 2 months ago that I was informed of the closing of the passport offices in the Fourth Congressional District of Connecticut which it is my honor to represent.

I confess to you that as a freshman Congressman, I thought the resolution of the problem would be relatively simple. Yet the past 2 or 3 months have led me down a trail and in fact into the Aegean stables of confusion, personal jealousies and the disregarding of the warnings of many years, both in the elected and appointive areas of Government.

It is my purpose today not only to give the background to this confusion but along with my colleague ROBERT GIAIMO from Connecticut to propose a bipartisan solution. The situation in Connecticut was not at all different from that which existed throughout the United States. In fact at the same time the passport offices in Connecticut were being closed, threatened closures or actual closures were taking place in Anchorage, Alaska; Bridgeport, Conn.; New Haven, Conn.; Jacksonville, Orlando, Tampa, and Sarasota, Fla.; Detroit, Mich.; Minneapolis-St. Paul, Minn.; Dallas, Fort Worth, and Houston, Tex.; and Tacoma, Wash.

Why all of a sudden should this problem blossom out and create a huge inconvenience to the American public? History is clear that the circumstances of our life as a nation have changed during the past 25 years. Specifically, as our society has become more affluent, people have wanted to travel more while at the same time the issuing of passports by the Federal courts and the State courts of this Nation, was becoming an intolerable burden to these branches of the Government because of their increased workload of judicial items.

Why the cosponsorship of this bill? Because it was not a partisan matter and the mess that has been created has been created by Republicans and Democrats alike. I am today, along with Congressman ROBERT N. GIAIMO, of Connecticut, introducing a bill that will alleviate the increasingly difficult and at times even embarrassing and disgraceful situation which has developed to obtain a U.S. passport.

I am particularly mindful of the situation which exists in my own district of the State of Connecticut and I am also mindful that the same situation pertains throughout many other areas of the country. In many areas of the country our citizens cannot obtain a U.S. passport or even execute an application for a U.S. passport without great inconvenience.

Just in the last several weeks we have seen pictures of the lines formed at the Passport Office in the city of New York—but, after all, I suppose it is better to stand in line than not be able to obtain a passport at all. Yet for all practical intents and purposes such was the case for some 2.5 million citizens. In the State of Connecticut several months ago, because of the fact that the Bridgeport office had been closed and also the office in New Haven had been closed, it was necessary to make a 2-month appointment in order to get a passport in Hartford. Also the White Plains Passport Office which is adjoining my State was closed to Connecticut residents.

So, despite the warnings from the Passport Office during the last several years—in fact for the last 10 years—we had arrived at a situation where a very basic right was in practice denied to citizens of this country.

The Passport Office has 10 passport agencies, in addition to its Washington office, located in strategic cities throughout the country. However, in most areas of the country it is dependent to a large extent upon clerks of Federal and State courts to accept passport applications and to forward them to these agencies.

Recently some of these courts in various part of the country have refused to continue to accept applications pleading their own ever-increasing workload as a result of widespread crime and the lack of sufficient funds to hire additional clerks needed to perform this function. After all, the function was initially assigned to these courts only as a temporary measure and as one which inexpensively served the purposes of 25 years ago but is hardly adequate to meet the needs of today. The Passport Office of the State Department has little or no control over the clerks of Federal or State courts who accept passport applications. Judges of these courts decide whether they shall or shall not provide passport service to their areas, and there is nothing the Passport Office can do about it. This is exactly what happened in my own State of Connecticut and throughout the United States.

In other words, the system of using clerks of courts in many areas of the country to accept passport applications for the Passport Office is cracking under the strain of increased workload.

Last year Congress denied the request of the courts to provide 183 deputy clerks and we are now reaping the reward for such shortsightedness.

As presently constituted, the Passport Office is not authorized to take any constructive action to solve this national problem. Its existing 10 agencies and its Washington Office are buried under the avalanche of citizens who want passports to travel abroad.

I need only refer you to the recently well publicized "disgrace" of the New York passport agency. With its present inadequate complement of personnel and physical facilities, it is simply unable to meet the demands of the public. The same situation to some degree exists in almost every one of the nine other agencies. It has been necessary for these agencies to forward hundreds of applications to the already overburdened Washington Office for issuance. That Office, as well as the agencies, has already expended large amounts of money in overtime in an effort to cope with this problem. In the past fiscal year, over $89,000 has been spent in overtime pay for passport employees. But there is a limit to the amount of funds that can be spent in this manner and, even more critical, a limit to the physical endurance of the employees of the Passport Office and its agencies.

This situation is not new, nor is it unknown to the Department of State. This

crisis has increased year after year. The Director of the Passport Office has clearly and consistently warned her superiors in the Department of the growing travel explosion and of the need for more flexible measures to meet the challenge. Her warnings have fallen on deaf ears. Year after year the Passport Office has faced arbitrary cuts from its budget request, which is based on a very measurable product; namely, overseas travel by U.S. citizens. Consider the fact that there has been almost 13-percent increase in general travel of U.S. citizens in the past 5 years and a 6.2 percent in official and diplomatic travel.

Mr. Speaker, it is a fact that the Passport Office is one of those extremely rare Federal agencies who return a profit or revenue to the U.S. Treasury every year. In the last 5 years the Passport Office has returned over $33 million to the Treasury.

Last year it operated on a budget of $5 million. It brought in $13½ million and that is a profit of $8.5 million that was paid for by the taxpayers to the United States and returned to the Treasury of the United States.

Paid for what? Increased convenience? No. Increased personnel? Increased localities where to obtain a passport? No—not 1 cent that was paid for by the taxpayers has come back to him in any form whatsoever except longer lines and longer delays.

It is estimated that the Passport Office will return in excess of $20 million in the next 2 years. Why is it then that the Passport Office is refused the authority to open additional self-support field agencies? Why is the Passport Office denied additional personnel? Why, indeed, is this small, efficient, and popular public service cut in budget and cut in personnel instead of being supported and expanded?

There is a simple solution to this problem, Mr. Speaker, if we are willing to take the steps necessary to implement it—and not the kind of steps which have been advocated year upon year since the warnings were issued 10 years ago. It is not only a question of that shift of responsibility from the Department of State to the judicial branch of our Government, but rather of seeing to it that the particular Government agency originally charged with the responsibility of issuing passports to U.S. citizens be given the tools to see that the job is done correctly—and that is the Passport Office of the U.S. Department of State.

Even as I speak, go to any city where there is a passport problem and find out how it is being resolved.

Is it being handled with Passport Office personnel as requested by the gentleman from Connecticut?

Are temporary personnel of the Passport Office being assigned to handle it? Oh, no, it is the clerk of the Federal court or a clerk of the State court or foreign service officers in Houston, Tex., who are performing the function of a passport officer at considerably more cost on the basis of individual salary and turning out one-half of the number of applications of a Passport Office employee.

I propose that Congress establish a revolving fund in the Passport Office so that some of the revenue which it returns to the Treasury every year can be used to provide needed services to the public. This will eliminate the constant fiscal emergencies that confront the Passport Office year after year. This revolving fund does not provide the Passport Office with unlimited funds and they will be strictly accountable for every expenditure, but it will provide that office with the flexibility which it requires to solve the problems of today and to meet the challenges of the future.

I propose that the Passport Office be authorized to establish Passport Agencies or Passport Service Agencies out of these funds whenever and wherever the needs of the public justify it.

I propose that the Passport Office be authorized to establish passport agencies, passport service agencies, out of these funds referred to whenever the needs of the public justify it.

I propose further that in certain instances the clerks of the Federal courts designated to accept passport applications be required by law to accept these applications. It will then be necessary for the courts to provide in their budget for sufficient clerks to perform this function in those areas where there is not sufficient population to establish a need for a Passport Office.

There are indeed very few Members of the Congress who are not aware of the effectiveness of the Passport Office.

These three proposals, which I believe will solve the present passport dilemma and provide a needed service to the American people, I have incorporated in the bill which Congressman GIAIMO and I have introduced today. The American public is paying for those services with their taxes and their passport fees. They are entitled to receive the most efficient and convenient service possible.

In conclusion, Mr. Speaker, it is clear to those that are much more senior in the Congress than I, and who know the difficulties and the problems that have existed between this branch of the Government and the Department of State, and those conflicts that have been within the Department of State itself, that the solutions to the passport problems which have been devised over the past several years have been geared to individuals in Washington rather than the facts of a national problem. That is what this legislation attempts to cure, and I have a feeling that this is what the American traveler expects of the American politician.

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

Mr. WEICKER. I yield to my colleague from Connecticut.

Mr. GIAIMO. I thank the gentleman and I want to commend him for the effort and the concern which he has demonstrated in this area. I am happy to have joined with him today in introducing legislation designed to set up passport agencies and to provide passport service officers in those areas where there is a demonstrated need for service.

More and more Americans are traveling abroad each year, and therefore, requests for passports have increased astronomically. In our own State of Connecticut, it is estimated that upwards of 40,000 passport requests will be made this year. Yet we find that we are still operating in a horse-and-buggy era, insofar as the granting and processing of passport applications are concerned. In two of our major cities in Connecticut, for example, the gentleman's city of Bridgeport and my city of New Haven, the courts discontinued processing passport applications this past spring. Service was resumed only recently through emergency authorization of temporary help to process the passport applications.

It is obvious that the method which worked in the past—namely, having the district courts process these applications and send them to the nearest passport office, is not working today with this tremendous increase in the number of passports sought by the American people.

Also there have been added burdens placed on the clerk's offices of the U.S. district courts—the new jury system; much of the civil rights legislation; and the fact that people in our States are using the Federal courts today more than they did in the past. All of these have put additional pressure on an already overburdened court clerk's office. In addition, the tremendous increase in passport applications has meant delays and otherwise inadequate service. When we consider, then, that even this inadequate service was terminated in a State such as Connecticut and in other parts of the country, we recognize that we cannot make do with temporary solutions. We must find a permanent solution.

What would be a more logical solution than to expand the facilities and the operations of the Passport Office, which at the present time is limited to 10 offices nationwide? What would be more logical than to provide passport office facilities in the large metropolitan areas where they are needed—particularly since passport service is a function of the Government which, as the gentleman has pointed out, pays for itself? It operates on a yearly budget of approximately $5 million and turns back to the Treasury approximately $13.5 million to $14 million a year.

It seems to me that we must find a permanent solution to this problem rather than continuing the temporary route of using the U.S. district court offices for passport service in many of the large cities of the country. The legislation which we have designed and introduced today can solve this passport crisis which, I contend, must be done without further delay.

One has only to read news articles of the last several months in New York City, Detroit, Chicago, Connecticut, and in other parts of the United States to realize the long delays with which people are confronted whenever they attempt to obtain a passport. I think this situation is intolerable. I do not believe it is something which the American people are willing to tolerate, nor in fact is it something which they should have to tolerate any longer. The time is long past due when we must take proper, positive steps to resolve this problem which has grown

worse each year and which has reached crisis proportions this year.

At this point I wish to insert in the RECORD various newspaper accounts attesting to the interminable delays which confront passport applicants in many of our Nation's cities.

[From the Boston Globe, July 7, 1969]

VISIT TO PASSPORT OFFICE HECTIC JOURNEY ITSELF

(By Ann Dilworth)

The jangled nerves have calmed somewhat and the lines have gotten shorter.

The June flood of applicants at the Boston passport office has subsided to a steady stream in July.

"In less than 21 working days, our office processed 27,000 applications for passports," said John J. Flynn, passport agent.

"That is a 38 percent increase over last year and represents the largest business in the history of the Boston passport office," he said.

Passport applications all over the country have increased by 35 percent according to the New York Times.

Flynn attributes this rush to the greater affluence of Americans, and to the increased speed and decreased expense of travel abroad now.

"It's cheaper to travel to Europe than to Miami," said Flynn.

Twenty-seven people are on duty, some working overtime, to process applications at the four-desk office in Government Center. Boston handles all applications from Massachusetts and upstate New York.

The busiest time is lunch hour, when applicants rush from their work to grab a passport. Only, it wasn't that easy in June.

Some people waited 90 minutes only to find that they didn't have the right kind of pictures or a proper birth certificate.

Although the lines have gotten shorter in July, the same problems persist.

Take John Stevenson of Malden for instance. He was docked for time away from his job while trying to get a passport. Stevenson stood in line for what seemed a long time.

"You do not have a properly certified and dated birth certificate with the seal of this state imprinted on it," said the monotoned voice of the desk agent, who obviously had said the same sentence at least 400 times.

"But this says where and when I was born," said Stevenson.

"This is a photostatic copy, we can only accept the original birth certificate," said the expressionless voice. "You can get such a document at the state office building, room 272 . . ."

"Where is that place? Listen, I don't have time for all this," said Stevenson.

"Sir we have certain rules that must be followed to insure the safety of our country and of our citizens abroad. The original birth certificate is just such a regulation." The picture of the U.S. Capitol Building and the American and Massachusetts flags loomed in back of the agent to emphasize his point.

Stevenson sighed, "I'm not so sure I want to go to Europe."

Birth certificates seem to be the major problem, but passport pictures are another worry.

"Many people come here with vending machine pictures and expect to use them," said one of the agents. "These pictures fade after awhile and sometimes they melt at high temperatures."

Officials of the State Department's Passport Agency contend that insufficient Congressional appropriations were a basic cause of the "crisis" situation, the New York Times reported.

The agency officials attributed the situation to an inadequate number of passport offices across the country, as well as insufficient personnel and equipment, at a time of sharp rise in applications, the Times said.

"We just simply had an over-load on all our people and machines," Flynn said. "We processed these applications as fast as possible, and none took over two weeks. But we breathed a real sigh when July came," he said.

The lines at the passport office now are "only" three or four at the busiest times, Flynn said.

[From the Chicago Tribune, July 6, 1969]

PASSPORT APPLICATIONS INCREASING IN CHICAGO

(By Rudolph Unger)

Americans are going overseas in record numbers this vacation season and the trips are being led by midwesterners, the Chicago passport office reported yesterday.

"There has been an unprecedented flow of passport applications this spring and summer season," Elmo G. Poole, head of the Chicago office, said.

INCREASE ACROSS UNITED STATES

"In May, the latest month for which complete figures are available, applications across the nation increased 24.8 per cent over May, 1968, which was up from 204,311 to 247,792," Poole said. "And in the vanguard was Chicago, with a 37.5 per cent boost, from 22,471 to 30,891."

Increases in the nation's nine other regional passport offices ranged from Miami's 31.8 per cent to 15.3 per cent in Philadelphia.

And there was no let up in Chicago in June, Poole stated. Preliminary figures show a 36 per cent increase in the demand for passports here, up from 18,738 to 25,487.

STAFF WORKING OVERTIME

Poole reported that his 44-man staff has been working overtime and seven days a week in inadequate quarters with outdated machinery in an effort to keep up with the passport demand. Also, some of the applications have been sent to the Washington office for processing to meet the large number of requests, Poole said.

Waiting time for obtaining the passports has been running from three to four weeks in the rush season, compared to two weeks or less in the off season, he said. Emergency passports, however, can be handled in half a day, Poole said.

"In the week ending June 4 [the office's week runs from Wednesday to Wednesday], applications were up 70 per cent over a year ago," Poole said. "In the week ending June 11, they were up 75.5 per cent.

JUNE 9 BIGGEST DAY

"We have been averaging 1,250 total applications a day this rush season, with 300 to 400 applying in person and the remainder by mail.

"But June 9 was our biggest day on record. I have never seen anything like it. Some 1,500 appeared in person seeking application and scores had to be turned away when we locked the doors at 5 p.m."

Poole said the jam would have been even worse if Congress had not amended the law last August, making each passport good for five years. Heretofore, passports had to be renewed after three years.

COVERS SIX STATES

The Chicago office covers six states and part of a seventh. They are:

Illinois, Indiana, Missouri, Iowa, Minnesota, Wisconsin, and northern Michigan.

Robert D. Johnson, chief deputy to Miss Frances G. Knight, director of the passport office, which is an agency of the state department, told THE TRIBUNE that the office is badly in need of increased appropriations.

OPERATING IN BLACK

"The passport agency is one of the few government agencies operating in the black," Johnson said. "Last year, we turned over 18 million dollars to the treasury.

Johnson said the office expects to issue 2 million passports this year, compared to 540,000 in 1954.

[From the Washington Daily News, July 7, 1969]

PASSPORT OFFICES ARE SWAMPED

(By Richard H. Boyce)

The passport office and its 10 branches across the nation are swamped with a record backup of passport applications from affluent Americans who want to travel abroad this summer.

In some cities people have to stand in line up to two hours to make application for a passport, and the flood of requests has stretched the time it takes to get the needed overseas travel document from a few days to as much as two months in some places.

In May, 247,792 passports were issued, up 21 per cent from the 204,311 issued in May, 1968. But the number of passports issued in May ran 18,294 behind the number of applications received.

APPLICATIONS UP

Nationwide, passport applications in May were up 25 per cent over the previous May.

Passport employes handle up to 12,000 applications a day, an all-time high, according to Frances G. Knight, passport office director.

"Plenty of money and low-cost package tours abroad," are two big reasons for the boom, she said.

But two other factors aggravate the problem:

The State Department has not provided additional personnel to process passports, despite repeated warnings by Miss Knight the crisis was coming.

Thirteen courthouses in seven states recently have stopped processing passport applications, adding to a growing list of courts that have halted this service in the past six years.

Besides its Washington operation, the passport office has branches in New York, Chicago, Los Angeles, Boston, Philadelphia, San Francisco, New Orleans, Miami, Seattle, and Honolulu.

Persons living elsewhere can present their applications—this must be done in person, not by mail—to the clerk of the nearest state or Federal court, for forwarding to the passport branches. There are about 3,500 such courts in the United States.

STAND IN LINE

In the past few months, however, state courts in Sarasota, Fla., and Bridgeport, Conn., and Federal courts in New Haven, Conn.; Anchorage, Alaska; Jacksonville, Orlando and Tampa, Fla.; Tacoma, Wash.; Detroit, Minneapolis-St. Paul, Dallas, Fort Worth and Houston have stopped handling passports.

[From the New York Times, June 26, 1969]

LONG LINES JAM PASSPORT OFFICE HERE

(By Joseph P. Fried)

Thousands of New Yorkers applying for passports for summer travel are waiting in long lines that often move with agonizing slowness.

Officials of the State Department's Passport Agency said yesterday that the delays were part of a national situation that they considered a "disgrace."

An official of the agency contended that insufficient Congressional appropriations were a basic cause of a situation that the agency fears will assume "crisis proportions."

The agency officials attributed the situation to an inadequate number of passport offices across the country, as well as insufficient personnel and equipment, at a time of sharply rising applications for passports.

"My experience is that a situation like this has to reach crisis proportions before it gets better," a high official of the Passport Agency, who preferred not to be identified, said yesterday in Washington. "It's a national situation, but New York is getting the brunt of it," the official said.

For example, a Federal Court clerk who handles the passport applications in Detroit reported yesterday that the flow of applications was proving too much for his staff. The situation was described as serious in Texas also.

For residents of New York City and the surrounding area, the situation means the kind of experience that George Woshakiwsky and Mario Daddario had yesterday.

Mr. Woshakiwsky, a 22-year-old student who plans to go to Italy next month, walked into the New York office of the Passport Agency at 630 Fifth Avenue, between 50th and 51st Streets, at 12:30 P.M. yesterday.

With the application form filled out and the two required photographs in hand, he joined a long line at "Station 14" in the large office, whose blue and yellow walls surrounded a dozen such lines.

At 1:45, Mr. Woshakiwsky finally reached the head of the 15-foot-long line—having thus traveled a dozen feet an hour to apply for a passport that will permit him to travel to Rome at more than 600 miles an hour.

Mr. Daddario, an automobile dealer from Bridgeport, Conn., went to the New York passport office because, he said, the passport situation in Connecticut had deteriorated so badly that he might have had to wait more than two months for a passport if he had applied for one in Hartford. He and his wife plan to go to Germany July 12.

"Oh, my God," Mr. Daddario said as he reached the corridor outside the Passport Agency office here and saw the long lines through the glass doors.

Mr. Woshakiwsky's wait was typical of those currently being experienced by applicants who show up at the New York passport office in late morning and early afternoon, the only time available to many applicants—who often have to use their lunch-hour breaks—to take care of passport formalities.

The average wait on the application lines during those periods of the day is an hour and a half, Joseph R. Callahan, agent in charge of the New York office, said.

He noted that June was always a busy month in his office because of the large number of passport applications by persons planning summer-vacation trips abroad. But this June is shaping up as the busiest for his office, he said, and Passport Agency officials in Washington said that the same situation prevailed nationwide.

Peering at the statistics before him, Mr. Callahan noted that, from Thursday, June 5, through Wednesday, June 11— a "reporting week" in the Passport Agency—his New York office had received 13,592 passport applications. This, he said, was a 40 per cent increase over the corresponding reporting week last year.

In Washington, officials reported that, nationwide, there were 35 per cent more passport applications during the first 18 days of this June that there were during the corresponding period of June last year.

These statistics do not include passport renewals by mail. An applicant who has not had a passport before, or whose previous one was issued more than eight years ago, must apply in person. Passports are good for five years under current law.

In addition to the main office in Washington and the office here, there are Passport Agency offices in Philadelphia, Boston, Chicago, Miami, New Orleans, Los Angeles, San Francisco, Seattle and Honolulu.

Residents of other places must either go to the nearest office or apply for a passport in person at Federal or state courts, which forward the applications to the Passport Agency.

This is the arrangement that has broken down in Connecticut and is deteriorating in several other places.

According to Representative Lowell P. Weicker Jr., Republican of Connecticut, the State Superior Court in Bridgeport stopped handling passport applications about two months ago. He said the reason given was that the clerk who had handled passport applications had died and there was nobody to take his place.

Then, the Representative said yesterday, the Federal District Court in New Haven stopped taking applications "because they said the courthouse was being remodeled."

The Hartford Federal District Court then said that it had such a backlog that passport applicants would have to apply two months in advance, Mr. Weicker said. This, he added, was followed by a decision by the New York State Supreme Court in White Plains not to handle applicants from Connecticut residents because the New York court had enough work dealing with applicants from residents of its own state.

Hence Mr. Daddario's trip yesterday to New York City.

However, Mr. Weicker reported, some relief is in sight for Connecticut passport applicants. Partly as a result of his efforts, he said, two staff people from the office of the Federal Court Administrator in Washington will go to Connecticut, "probably next week," to accept passport applications.

In Detroit yesterday, Frederick W. Johnson, clerk of the Federal Court in the Eastern District of Michigan, reported that passport applications in his court were steadily rising and that his staff was having increasing difficulty in handling them.

He said his court wanted to stop handling the applications and had so advised the State Department.

A Passport Agency official asserted yesterday that more offices staffed by the agency itself were vitally needed and that overloaded courts could not cope with the passport applications by the rising number of Americans traveling abroad.

Mr. Callahan, the New York office head, urged those planning trips abroad in August or September to put off applying for passports until about a month before their scheduled departure. He said this would allow sufficient time for receiving the passports.

[From the Washington Post, July 17, 1969]

PASSPORT UNIT SNOWED UNDER BY BOOM IN FOREIGN TRAVEL

(By Marquis Childs)

Now it's a travel explosion. As though not a word had ever been spoken about seeing America first, the perils of the dollar balance and the gold outflow, Americans in unprecedented numbers are rushing off to foreign shores.

The fly-now, pay-later plan is said to account for a large part of the travel boom. The low rate on chartered flights is another reason. Clubs, often improvised for the purpose, sign up for a charter at a cost to members far below that of regular airline fares.

Travel bargains are attracting those who never before ventured out of the United States. An example is a 22-day escorted tour of six countries (if it's Tuesday, this is Belgium) for $495, which includes round-trip fare, meals and hotel. At that rate, the bargain hunter argues, you can hardly afford to stay home.

An unhappy consequence of the travel boom is a virtual breakdown, or at any rate a frustrating slowdown, in the issuance of passports. Long lines of irate citizens at every passport center, and particularly in New York, reflect the clogged passport machinery. The most irate citizen is Director Frances G. Knight of the State Department's Passport Office. The tart-tongued Miss Knight has run an efficient shop. She was caught in the travel deluge without the essential extra personnel through no fault of hers, according to her staff.

What happened is an example of the penny-wise, dollar-foolish economy policies prevailing in other departments as well as State. Miss Knight has asked State's budget makers for funds for the fiscal year just ended to hire an additional 22 persons on a permanent basis. For the current fiscal year she asked for another 24. A total of 64 is considered the minimum to handle the ever-rising demand.

Nothing quite like the present travel boom had been anticipated. Total applicants for passports in June were 36 per cent above June a year ago. The daily average is close to 12,000, running 30 per cent above 1968. The staff of the Passport Office is on a 10-to-12 hour-a-day schedule which includes Saturdays. Especially galling to Miss Knight is that the passport operation more than pays its way. The operating budget is $5 million, while the office takes in more than $15 million in fees.

The travel boom is expected to slacken as the rush of summer trippers subsides. The plight of the passport office is evidence of the urgent need for an overhaul of the system. Aside from the passport offices in 10 cities, reliance has been on Federal or state courts. With clogged court calendars there is increasing reluctance to perform this function. Passport applicants complain of delays of two months or more.

The passport tangle is only one comparatively small example of how the narrow frame of Government has been inadequate to encompass the swiftly expanding economy or the rise in the number of educated people bent on foreign travel. Both high-school and college students are on the move as never before.

The expansion has been sparked by a credit explosion. Ever-new credit devices have sent the debt total of private individuals soaring to unprecedented levels. How much fly-now, pay-later has contributed, it is too early to say, since this powerful appeal through every advertising medium is fairly recent.

The total of installment credit as of May 31 for autos, home appliances, television sets and the whole range of buy-now-and-pay-by-the-month goods was an almost incredible $91.8 billion. This represented a jump of $9.5 billion in the previous 12 months. An added $2.3 billion was outstanding in credit-card and check-credit plans. These figures do not include real estate and insurance loans.

The outflow of tourist dollars is an important factor in the balance of payments problem. Various cures were considered under the Johnson Administration, including taxes on airline tickets and a limit imposed on the amount the tourist could spend. The travel industry was powerful enough to fend off these remedies and now the Nixon Administration is faced with the same situation enhanced by the travel boom.

An effort has been made with limited success to offset the outflow by persuading foreign visitors to come to America. For the first five months of this year 557,948 foreigners bent on either business or pleasure came to the United States, an increase of 17 per cent over the same period in 1968. It did not include nearly 11 million visits of over 72 hours by Canadians and a half million Mexican visitors. Measured against the horde of Americans leaving by every available plane and ship, the offset is small.

A far more serious side of the narrow frame of Government is the airport and airways squeeze. At principal airports the overcrowding is intolerable and the air controllers repeatedly testify to the hazards

of hundreds of near misses in the corridors where traffic is heaviest. This is without the jumbo jets to come into service in the fall. The White House has proposed a long-range plan calling for quick expansion and the taxes to pay for it. Delay will imperil life and limb as well as a major industry.

Mr. GIAIMO. Mr. Speaker, I commend once again the gentleman from Connecticut for trying to resolve this problem and I thank him again for taking this time today to thoroughly explain this serious situation.

Mr. WEICKER. Mr. Speaker, I thank the gentleman from Connecticut (Mr. GIAIMO) a member of the Appropriations Committee, whose service in this Congress has been considerably longer than mine, for assisting in the drafting of this bill and for joining in this matter that really concerns people and which has nothing to do with party.

COMPREHENSIVE NARCOTIC ADDICTION AND DRUG ABUSE AND CONTROL ACT OF 1969

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. WILSON), is recognized for 10 minutes.

Mr. CHARLES H. WILSON. Mr. Speaker, today it is my pleasure to introduce, along with 22 concerned cosponsors, a bill that for the first time provides for a comprehensive and coordinated attack on the narcotic addiction and drug abuse problem. Because this bill not only addresses itself to the law and order aspects of the dilemma but also attempts to bring about greater understanding of the root causes underlying the fantastic spread of narcotic and other drug use in our country, I feel that it represents the most sensitive and realistic approach to the problem to date. Senator YARBOROUGH, sponsor of this proposed legislation in the other body, reports that he has been joined by 15 other Senators in a bipartisan effort to insure its promulgation this session of the Congress. We, both Members of the House and the Senate, are all attempting to approach this area with the sensitivity and understanding as well as the determination and strength needed to successfully resolve the problem.

Narcotic addiction and drug abuses are reaching epidemic proportions. No segment of the population is secure from the intrusion of these means to self-destruction and moral decay. The problem which was once fairly limited to slum ghettos can now be found as easily in suburban high schools and on the college campus. Perhaps the inability of middle-class Americans to identify the problem as being of relevance to their lives has brought about the situation with which we are now faced.

Perhaps had we all acted like our "brother's keeper" many of the tragic situations facing our land today would not have come into existence. In any event, the problem has been brought home for all to see and the consensus of public opinion has finally coalesced, demanding solutions now.

The proposed legislation that we introduce today calls for increased Federal funding for the construction, staffing, and operation of treatment facilities, the establishment of professional training and evaluation programs, the authorization for research and studies relating to drug use and addiction, the institution of drug abuse education activities, the dissemination of related instructive materials, and, the increased control of various dangerous substances.

In the facilities construction area, the Community Mental Health Centers Act would be amended to allow eligibility for Federal funding of operation and maintenance costs as well as construction and staffing expenses. It shall increase the allowable Federal participation in funding the costs of construction of treatment and rehabilitation facilities from 66⅔ to 90 percent, and in the costs of operation, staffing, and maintenance of these facilities to 90 percent for the first 2 years and then 75 percent for the next 6 years. In addition, authorization for future funding appropriations would be granted by the promulgation of this proffered legislation through the fiscal year ending June 30, 1974, as well as providing discretionary continuation grants covering fiscal year 1971 and each of the next 11 fiscal years.

In the area of professional training and education, provision has been made for development of specialized training programs and materials for the prevention and treatment of drug abuse and for the training of personnel to administer such programs and services. Research and study relating to current and projected personnel needs in the field of drug abuse as well as planning and conduct of surveys and field trials to evaluate the adequacy of State drug programs will be undertaken. Fellowships and grants for individual studies will be made available under the supervision of the Secretary of Health, Education, and Welfare with the approval of the National Advisory Mental Health Council. Grants will also be made available to the States and political subdivisions, as well as to public and nonprofit private agencies for the collection, preparation, and dissemination of educational materials and for the development and evaluation of programs of drug abuse education directed to the general public, school-age children and other high-risk groups. Dissemination of information shall be channeled through the Secretary acting in coordination with the National Institutes of Health.

In addition, the Public Health Services Act would be amended to authorize studies of depressant and stimulant drugs as well as studies of narcotics. A broad program of research into all phases of drug use with needed investigations and surveys will be begun along with construction of a National Addiction and Drug Abuse Research Center to be part of the National Institute of Mental Health.

Knowledge in this area will increase by geometric leaps and bounds and the root causes of the problem will be fully revealed for elimination by a now aroused citizenry. Drug abuse and narcotic addiction are national problems of such magnitude and seriousness as to call for the marshaling of Federal resources to meet the challenges that the use of these substances poses to our society. This challenge shall and will be met. The stakes are too high and the inability to surmount the difficulties in this area would portend serious consequences for our society, consequences that are more horrible since they first would be manifested by the deterioration and destruction of the physical and mental well-being of this Nation's youth. Rapid enactment of the Comprehensive Narcotic Addiction and Drug Abuse Care and Control Act of 1969 is a vitally needed step in the right direction.

Joining me in cosponsoring this bill are the following Members of Congress:

Mr. ADDABBO of New York.
Mr. ANDERSON of California.
Mr. BROWN of California.
Mr. BYRNE of Pennsylvania.
Mr. DONOHUE of Massachusetts.
Mr. EDWARDS of California.
Mr. FRIEDEL of Maryland.
Mr. GIAIMO of Connecticut.
Mr. HAWKINS of California.
Mr. JOHNSON of California.
Mr. LEGGETT of California.
Mr. MIKVA of Illinois.
Mr. MOORHEAD of Pennsylvania.
Mr. NIX of Pennsylvania.
Mr. PATTEN of New Jersey.
Mr. POWELL of New York.
Mr. REES of California.
Mr. ROSENTHAL of New York.
Mr. THOMPSON of New Jersey.
Mr. VIGORITO of Pennsylvania.
Mr. WHALEN of Ohio.
Mr. WRIGHT of Texas.

I now submit the full text of the Comprehensive Narcotic Addiction and Drug Abuse Care and Control Act of 1969 for my colleagues' information. In addition, I am including the text of my letter published in the Saturday, July 26, 1969, edition of the Washington Post in answer to their editorial of July 18 which asked: "Is it not time, in short, for a fresh approach to drug addiction—an approach designed not so much to vent anger as to offer help?" The bill that I introduce today offers such help. It also offers hope.

NARCOTICS BILL OFFERS DIFFERENT APPROACH

I have just finished your editorial of July 18 entitled "A Fresh Approach to Narcotics." At the end of your statement, you ask: "Is it not time, in short, for a fresh approach to drug addiction—an approach designed not so much to vent anger as to offer help?"

It is my opinion that such an approach has been found. On the day that Mr. Nixon delivered his message to Congress, Senator Yarborough introduced a bill which would provide for a comprehensive and coordinated attack on the narcotic addiction and drug abuse problem. It was my pleasure to introduce an identical bill in the House of Representatives the following day.

A reading of the bills so introduced will show significant differences from Administration proposals in specific recommendations, as well as in conveying a totally different tenor due to the utilization of another approach to the problem.

For example, marijuana, under the Yarborough-Wilson bills, will be removed from coverage under the Internal Revenue Code and added to the definitions of depressant or stimulant drugs in the Food, Drug and Cosmetic Act, thereby making it subject to the controls imposed on such substances rather than those provided for hard narcotic drugs in the Internal Revenue Code.

In addition, authority is transferred from the Attorney General back to the Secretary of Health, Education and Welfare to make findings that a substance is or is not an opiate, and to determine medical, scientific and other legitimate needs of the United States for the purpose of establishing export or import quotas in this area.

Furthermore, provision is made for increased Federal funding by amending Section 251 of the Community Mental Health Centers Act to cover costs of operations and maintenance of treatment facilities and coverage is extended to meet staffing expenses. The bill authorizes the appropriation of $200 million for the construction of treatment facilities and for the above mentioned operational needs for the period ending July 30, 1974.

Grants would also be provided for the development of specialized training programs and materials for the prevention and treatment of drug abuse and for the training of personnel to administer such programs and services. Funds will be made available for the collection and dissemination of educational materials, the conduct of public educational programs, the provision of technical assistance to state and local health and educational agencies and for the development and conduct of workshops and other institutions.

Further grants would be authorized to conduct broad research programs into all phases of drug use and abuse, to investigate and study improved diagnostic and treatment techniques, to develop and improve methods of operation and administration for appropriate state institutions, to conduct surveys to evaluate adequacy of treatment and prevention programs, and to support construction, staffing, operation and maintenance of regional centers for research.

In addition, the bill specifies that one of these research centers be established as a National Addiction and Drug Abuse Research Center to be located in close proximity to the National Institute of Mental Health central research facilities.

Other provisions which likewise treat the problem as a cancerous disease that has spread throughout our land are included. The root causes of narcotic and other drug abuses must be found and eliminated. Enactment of the legislation that I have introduced in the House will go a long way toward accomplishing this purpose. In other words, this legislation does not vent anger; rather, it offers help.

CHARLES H. WILSON,
U.S. Congressman.

WASHINGTON.

(ORIGINALLY H.R. 12882)

A bill to provide for a comprehensive and coordinated attack on the narcotic addiction and drug abuse problem, and for other purposes

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

SHORT TITLE

SECTION 1. This Act may be cited as the "Comprehensive Narcotic Addiction and Drug Abuse Care and Control Act of 1969".

DECLARATION OF FINDINGS AND PURPOSES

SEC. 2. (a) The Congress finds that—

(1) Narcotic addiction and drug abuse are major health and social problems afflicting a significant proportion of the public, and much more needs to be done by public and private agencies to develop effective prevention and control.

(2) Narcotic addiction and drug abuse treatment and control programs should whenever possible: (A) be community based, (B) provide a comprehensive range of services, including emergency treatment, under proper medical auspices on a coordinated basis, and (C) be integrated with and involve the active participation of a wide range of public and non-governmental agencies.

(3) There is an urgent need to educate young people and the public in general on the abuse of drugs and that insufficient manpower currently are available to undertake such educational programs.

(4) There is a serious shortage of professional and other personnel trained to work more effectively in relation to the prevention and treatment of narcotic addiction and drug abuse.

(5) Current knowledge regarding the causes, prevention, and treatment of narcotic addiction and drug abuse are inadequate.

(b) In order to preserve and protect the health and welfare of the American people in meeting these needs, it is the purpose of this Act to authorize the Secretary of Health, Education, and Welfare to establish a program of grants and contracts for the construction, staffing, operation, and maintenance of facilities for the prevention and treatment of narcotic addiction and drug abuse, for the development of narcotic addiction and drug abuse education programs, for the training of professional and other personnel, for the conduct of appropriate study, research, and experimentation, and for the creation of appropriate demonstration projects relating to narcotic addiction and drug abuse.

TITLE I—CONSTRUCTION, STAFFING, AND OPERATION OF TREATMENT FACILITIES

SEC. 101. (a) Section 251(a) of the Community Mental Health Centers Act is amended by striking out "of compensation of professional and technical personnel for the initial operation" and inserting in lieu thereof "of operation, staffing, and maintenance."

(b) Section 251(b) of the Community Mental Health Centers Act is amended by striking out "in excess of 66⅔ per centum" and inserting in lieu thereof "in excess of 90 per centum."

(c) Section 251 (c) of the Community Mental Health Centers Act is deleted and the following is inserted in lieu thereof:

"(c) Grants under subsection (a) for the costs of operation, staffing, and maintenance of a facility may be made only for the first eight years that such facility is in operation and the amount of any such grant shall not exceed 90 per centum of such costs for the first two years of the grant and 75 per centum of such costs for each of the next six years."

(d) Section 261(a) of the Community Mental Health Centers Act is amended to read as follows:

"(a) There are authorized to be appropriated $15,000,000 for the fiscal year ending June 30, 1970; $20,000,000 for the fiscal year ending June 30, 1971; $40,000,000 for the fiscal year ending June 3, 1972, $50,000,000 for the fiscal year ending June 30, 1973; and $75,000,000 for the fiscal year ending June 30, 1974; for construction, operating, staffing and maintenance grants under parts C or D. Sums so appropriated for any fiscal year shall remain available for obligation until the close of the next fiscal year."

(e) Section 261(b) of the Community Mental Health Centers Act is amended to read as follows:

"(b) There are also authorized to be appropriated for the fiscal year ending June 30, 1971, and each of the next eleven fiscal years such sums as may be necessary to continue to make grants for staffing with respect to any project under part C or D for which a staffing, operation, and maintenance grant was made from appropriations under subsection (a) of this section for the fiscal years ending June 30, 1970, through 1975.

"(c) For purposes of parts C and D, the term 'staffing' means salaries, fringe benefits, and travel allowances for professional, technical, and support personnel needed to provide services to administer, evaluate, operate, and maintain the facilities and program of a treatment center.

"(d) For purposes of parts C and D, the term 'operation and maintenance' means upkeep and repairs, supplies, utilities, rent, equipment cleaning, food and drugs, and similar items of cost incurred by a treatment facility."

TITLE II—TRAINING AND EVALUATION, AND DRUG ABUSE EDUCATION

SEC. 201. (a) Section 252 of the Community Mental Health Centers Act is amended to read as follows:

"TRAINING AND EVALUATION

"SEC. 252. (a) For the purpose of assisting in overcoming the critical shortage of scientific and professional personnel trained to deal with drug abuse and addiction, the Secretary is authorized to make grants to States and political subdivisions thereof and to public or nonprofit private agencies and organizations, and to enter into contracts with other private agencies and organizations, for—

"(1) the development of specialized training programs or materials relating to the provision of health services for the prevention and treatment of drug abuse;

"(2) the development of inservice or short-term refresher courses with respect to the provision of such services;

"(3) training personnel to operate, supervise, and administer such services;

"(4) the conduct of a program of research and study relating to (A) personnel practices and current and projected personnel needs in the field of drug abuse (including prevention, control, treatment, and rehabilitation), (B) the availability and adequacy of the educational and training resources of individuals in, or preparing to enter, such field, and (C) the availability and adequacy of specialized training for persons such as physicians and other health professionals who have occasion to deal with drug addicts, including the extent to which such persons make the best use of their professional qualifications when dealing with such persons; and

"(5) the conduct of surveys and field trials to evaluate the adequacy of the programs for the prevention and treatment of narcotic addiction within the several States with a view to determining ways and means of improving, extending, and expanding such programs.

"(b) Training grants under this section may be made only upon recommendation of the National Advisory Mental Health Council. Such grants may be paid in advance or by way of reimbursement as may be determined by the Secretary, and shall be made on such conditions as the Secretary finds necessary.

"(c) As used in this section, the term 'professional persons' shall include, but not be limited to persons in the fields of medicine, psychiatry, nursing, social work, psychology, education, and vocational rehabilitation.

"(d) There are hereby authorized to be appropriated for carrying out the provisions of this section $2,000,000 for the fiscal year ending June 30, 1970; $3,000,000 for the fiscal year ending June 30, 1971; $5,000,000 for the fiscal year ending June 30, 1972; $6,000,000 for the fiscal year ending June 30, 1973; and $6,000,000 for the fiscal year ending June 30, 1974."

SEC. 202. The Community Mental Health Centers Act is amended by redesignating sections 253 and 254 as sections 255 and 256 respectively, and by inserting after section 252 the following new sections:

"FELLOWSHIP GRANTS

"SEC. 253. (a) The Secretary is authorized to make fellowship grants (including such

stipends and allowances (including travel and subsistence expenses) as the Secretary may deem necessary) to professional personnel for training in relation to drug addiction and other drug-abuse related problems. Each applicant for a fellowship shall present a plan for his training which includes appropriate information regarding the participation of the institutions or agencies who will be providing the training.

"(b) Training grants under this section may be made only upon recommendation of the National Advisory Mental Health Council. Such grants may be paid in advance or by way of reimbursement as may be determined by the Secretary, and shall be made on such conditions as the Secretary finds necessary.

"(c) As used in this section, the term 'professional persons' shall include, but not be limited to persons in the fields of medicine, psychiatry, nursing, social work, psychology, education, and vocational rehabilitation.

"(d) The term 'fellowship' shall include such stipends and allowances (including travel and subsistence expenses) as the Secretary may deem necessary.

"(e) Training and fellowship awards under this title shall be made at such levels as may be required to facilitate the recruitment of the necessary professional manpower to this high priority area.

"(f) There are hereby authorized to be appropriated for carrying out the purpose of this section $400,000 for the fiscal year ending June 30, 1970; $600,000 for the fiscal year ending June 30, 1971; and $1,000,000 for each of the next three fiscal years.

"DRUG ABUSE EDUCATION

"SEC. 254. (a) The Secretary is authorized to make grants to States and political subdivisions thereof and to public or nonprofit private agencies and organizations, and to enter into contracts with other private agencies and organizations, for—

"(1) the collection, preparation, and dissemination of educational materials dealing with the use and abuse of drugs and the prevention of drug abuse, and

"(2) the development and evaluation of programs of drug abuse education directed at the general public, school-age children, and special high-risk groups.

"(b) The Secretary, acting through the National Institute of Mental Health, shall (1) serve as a focal point for the collection and dissemination of information related to drug abuse; (2) collect, prepare, and disseminate materials (including films and other educational devices) dealing with the abuse of drugs and the prevention of drug abuse; (3) provide for the preparation, production, and conduct of programs of public education (including those using films and other educational devices); (4) train professional and other persons to organize and participate in programs of public education in relation to drug abuse; (5) coordinate activities carried on by such departments, agencies, and instrumentalities of the Federal Government as he shall designate with respect to health education aspects of drug abuse; (6) provide technical assistance to State and local health and educational agencies with respect to the establishment and implementation of programs and procedures for public education on drug abuse; and (7) undertake other activities essential to a national program for drug abuse education.

"(c) The Secretary, acting through the National Institute of Mental Health, is authorized to develop and conduct workshops, institutes, and other activities for the training of professional and other personnel to work in the area of drug abuse education.

"(d) All grants made under this section can be made only upon recommendation of the National Advisory Mental Health Council.

"(e) There are hereby authorized to be appropriated for carrying out the purposes of this section $2,000,000 for the fiscal year ending June 30, 1970; $4,000,000 for the fiscal year ending June 30, 1971; $6,000,000 for the fiscal year ending June 30, 1972; and $8,000,000 for each of the next two fiscal years."

TITLE III—AMENDMENTS TO THE PUBLIC HEALTH SERVICE ACT FOR RESEARCH AND STUDIES RELATING TO DRUG USE, ABUSE, AND ADDICTION

SEC. 301. (a) Section 302(a) of the Public Health Service Act (42 U.S.C. 242(a)) is amended—

(1) by inserting "depressant or stimulant drugs and" before "narcotics" in the first sentence;

(2) by striking out "the use and misuse of narcotic drugs," in the first sentence and inserting in lieu thereof "(1) the use and misuse of depressant or stimulant drugs and narcotic drugs, and (2)"; and

(3) by striking out "at his discretion" in the second sentence.

(b) Section 302 of the Public Health Service Act is further amended by adding a new subsection (c) at the end thereof to read as follows:

"(c) The Secretary is authorized to establish a program of grants to be administered by the National Institute of Mental Health to—

"(1) support and conduct programs of research into all phases of drug use and abuse, including the origins, causes, incidence, and prevention of drug use and abuse, the abuse potential of drugs, and the therapeutic and rehabilitation agents and techniques;

"(2) make grants to State or local agencies and other public or nonprofit agencies and institutions, and to enter into contracts with any other agencies or institutions, for the conduct of investigations, experiments, demonstrations, studies, and research projects with respect to the development of improved methods of diagnosing drug addiction and abuse and of care, treatment, and rehabilitation of drug addicts and drug abusers;

"(3) make grants to State agencies responsible for administration of State institutions for care, or care and treatment, of drug addicts or abusers for developing and establishing improved methods of operation and administration of such institutions;

"(4) conduct surveys evaluating the adequacy of programs for the prevention and treatment of drug abuse and for necessary planning studies;

"(5) develop field trials and demonstration programs for the prevention and treatment of drug abuse;

"(6) establish a National Registry of Narcotic Addicts to facilitate research in drug addiction; and

"(7) make project grants to State or local agencies and other public or nonprofit agencies or institutions for the establishment, construction, staffing, operation, and maintenance of regional centers for research in drug abuse and related problems, one of which centers shall be established as a National Addiction and Drug Abuse Research Center as part of the National Institute of Mental Health, and shall be located in close proximity to the central research facilities of such Institute so as to avoid duplication of basic science laboratories and to allow for exchange of scientific information in collaboration between researchers in these closely related areas.

Any information contained in the National Registry of Narcotic Addicts, established under paragraph (6), shall be used only for statistical and research purposes and no name or identifying characteristics of any person who is listed in the Registry shall be divulged without the approval of the Secretary and the consent of the person concerned except to personnel who operate Registry. The Secretary may authorize persons engaged in research under this subsection on the use and effect of drugs to protect the privacy of individuals who are the subject of such research by withholding from all persons not connected with the conduct of such research the names or other identifying characteristics of such individuals. Persons so authorized to protect the privacy of such individuals may not be compelled in any Federal, State, civil, criminal, administrative, legislative, or other proceeding to identify such individuals.

"(d) The following amounts are hereby authorized to be appropriated:

"(1) For carrying out the purposes of section 302(c) (1) through (6), $3,000,000 for the fiscal year ending June 30, 1971; $10,000,000 for the fiscal year ending June 30, 1972; $10,000,000 for the fiscal year ending June 30, 1973; and $10,000,000 for the fiscal year ending June 30, 1974.

"(2) For carrying out the purposes of section 302(c)(7), $3,000,000 for the fiscal year ending June 30, 1970; $10,000,000 for the fiscal year ending June 30, 1971; $25,000,000 for the fiscal year ending June 30, 1972; $10,000,000 for the fiscal year ending June 30, 1973; $20,000,000 for the fiscal year ending June 30, 1974; and $15,000,000 for the establishment of the National Addiction and Drug Abuse Research Center, to remain available until expended."

TITLE IV—CONTROL OF DANGEROUS SUBSTANCES

SEC. 401. (a) The Congress finds and declares that the importation, manufacture, distribution, possession, and use of narcotic drugs and depressant and stimulant drugs for nonmedical and nonscientific purposes have a substantial and detrimental effect on the health and general welfare of the American people, that the medical and scientific use of such drugs are important elements of the practice of medicine and of scientific research, and that adequate provision must be made to insure the availability of controlled drugs for such legitimate purposes.

(b) The Congress further finds that there is a need for a single comprehensive code which makes the necessary distinctions among narcotic drugs and depressant and stimulant drugs with respect to the degree of control required and between their medical and scientific use as against their abuse for nonmedical and nonscientific purposes. It is therefore the purpose of this title to provide for the establishment of such a code, by utilizing the medical and scientific expertise of the Secretary of Health, Education, and Welfare, and the particular competence and expertise of persons versed in the fields of mental health and pharmacology.

SEC. 402. (a) In order to aid the States and communities, the medical and scientific professions, law enforcement authorities and other concerned groups and individuals in coping with the problems of drug abuse, while at the same time encouraging ready access to certain substances for scientific, therapeutic, industrial, or other legitimate purposes, the Secretary shall—

(1) carry out the studies and investigations pertaining to narcotics and depressant and stimulant drugs as directed by section 302(a) of the Public Health Service Act;

(2) determine which substances should be subject to control because of their ability to produce physical or psychological dependence which could lead to abuse;

(3) place these substances in such classes and categories as he shall find necessary, ranked according to the extent of their ability to produce physical or psychological dependence and their relative capabilities for abuse;

(4) promulgate a list of all such substances classified or categorized as directed by paragraph (3); and

(5) amend such list from time to time by adding, deleting, or changing the classifica-

tion or categorization of a substance as he shall find necessary in the light of new scientific knowledge.

(b) No substance may be included on such list unless it is a narcotic drug (as defined in section 4731 of the Internal Revenue Code) or is a depressant or stimulant drug determined under section 201 of the Federal Food, Drug, and Cosmetic Act and not exempted under section 511(f) of that Act.

(c) The initial list promulgated by the Secretary shall not take effect until after such list has been published in the Federal Register, and not less than thirty days shall have passed thereafter. If within such thirty-day period any person adversely affected by such listing shall require opportunity for a hearing, the Secretary shall provide for such hearing, in conformity with the procedures prescribed in section 701 of the Federal Food, Drug, and Cosmetic Act, with judicial review available in conformity with such section. After such list shall have become final, any change in the category of any substance may be carried out by the Secretary only after similar notice, opportunity for a hearing, and opportunity for judicial review in conformity with such section 701.

SEC. 403. Before making any of the determinations required by section 402, the Secretary shall consider the advice of the Advisory Committee on Narcotics and Dangerous Drugs, established by section 503 of this Act, and shall consult with the Attorney General.

CONTROL OF ILLEGAL TRANSACTIONS IN MARIHUANA

SEC. 404. (a) Section 201(v)(3) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321(v)(3)) is amended (1) by striking out "and any other" and inserting in lieu thereof "marihuana, and any"; and (2) by striking out ", and marihuana as defined in section 4761 of the Internal Revenue Code of 1954 (26 U.S.C. 4731, 4761)" and inserting in lieu thereof "of the Internal Revenue Code of 1954".

(b) Section 201 of such Act is amended by adding at the end thereof the following new paragraph:

"(y) The term 'marihuana' means all parts of the plant Cannabis sativa L., whether growing or not; the seeds thereof; the resin extracted from any part of such plant; and every compound, manufacture, salt, derivative, mixture, or preparation of such plant; its seeds, or resin; but shall not include the mature stalks of such plant, fiber produced from such stalks, oil, or cake made from the seeds of such plant, any other compound, manufacture, salt, derivative, mixture, or preparation of such mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of such plant which is incapable of germination."

REGISTRATION OF RESEARCH ESTABLISHMENTS

SEC. 405. Title V of the Public Health Service Act is amended by adding at the end thereof the following new section:

"REGISTRATION OF RESEARCH ESTABLISHMENTS

"SEC. 513. (a) No person may conduct any research project with any narcotic drug (as defined in section 4731 of the Internal Revenue Code of 1954) or with marihuana (as defined in section 201(y) of the Federal Food, Drug, and Cosmetic Act) unless such research is conducted by an establishment currently registered by the Secretary under this section. Registration under this section shall be for one-year periods, and shall be renewable for like periods.

"(b)(1) No establishment may be registered under this section except pursuant to application which shall set forth—

"(A) the name of the applicant;

"(B) his principal place of business;

"(C) the number or other identification of any applicable Federal, State, or local license of registration, relating to narcotic drugs or marihuana, currently held by the applicant including the number or other identification of any such Federal license or registration previously held by the applicant;

"(D) procedures for accountability for drugs used in research projects of the applicant and the methods to be used and the safeguards to be instituted against diversion of the drugs used in such projects to nonmedical or nonscientific uses; and

"(E) any other information required by the Secretary by regulations.

The Secretary may not register an establishment under this section unless he determines that the applicant has established adequate procedures to provide for accountability for drugs used in research projects of the applicant and adequate methods to safeguard against diversion of such drugs to nonmedical or nonscientific uses, in accordance with regulations issued by the Secretary, with the concurrence of the Attorney General. Such regulations shall permit the conduct of double-blind studies.

"(2) Each applicant registered under this section shall, before any drugs are administered to human beings under a research project of the applicant, submit to the Secretary, in such form and containing such information as the Secretary may require, a research protocol, describing the research to be conducted, listing the investigators (each of whom must be registered under section 4722 or 4753 of the Internal Revenue Code, as applicable) and their qualifications to engage in such research, and otherwise conforming to the requirements of section 505(1) of the Federal Food, Drug, and Cosmetic Act. No such research protocol may provide for the dispensing or administration of drugs to human beings except by persons licensed to dispense or administer such drugs under applicable State laws.

"(c)(1) The Secretary may revoke or suspend the registration of any establishment granted under this section if he finds (A) that the application for such registration contains any untrue statement of material fact, (B) that research projects in such establishment are not being conducted in accordance with approved procedures or methods relating to accountability for drugs or safeguards against diversion of drugs used in such project to nonmedical or nonscientific uses, or (C) research projects involving the dispensing or administration of drugs to human beings are being conducted by persons not licensed under applicable State law to dispense or administer drugs.

"(2) Regulations of the Secretary shall provide for notice and opportunity for a hearing before revocation or suspension of registration under this section, except that, upon a finding of imminent hazard to the public health, such registration may be suspended or revoked prior to such hearing, but opportunity for a hearing shall be granted immediately in such cases."

AMENDMENTS RELATING TO DRUG RESEARCH IN REGULATED ESTABLISHMENTS

SEC. 406. (a) Section 4704(b) of the Internal Revenue Code of 1954 is amended by striking out the period at the end thereof and inserting in lieu thereof "; or", and by inserting immediately below paragraph (2) the following new paragraph:

"(3) RESEARCH.—To the dispensing or administration of narcotic drugs in the course of a research project conducted by an establishment currently registered under section 513 of the Public Health Service Act, if records of the drugs so dispensed or administered are kept as required by this subpart."

(b) Section 4705(c) of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following:

"(5) RESEARCH.—To the dispensing or administration of narcotic drugs to any person in the course of a research project conducted by an establishment currently registered issued under section 513 of the Public Health Service Act. Such registrant shall keep a record of all such drugs dispensed or administered, showing the amount dispensed or administered, the date, and the name and address of the person to whom such drugs are dispensed or administered, except such as may be dispensed or administered to a patient upon whom a physician, dentist, veterinary surgeon, or other practitioner shall personally attend; and such record shall be kept for a period of two years from the date of dispensing or administering such drugs, subject to inspection, as provided in section 4773."

(c) Section 4721(5) of the Internal Revenue Code of 1954 is amended by striking out "research, instruction, or analysis" and inserting in lieu thereof "instruction or analysis, or for the purpose of research by an establishment currently registered under section 513 of the Public Health Service Act,".

(d) Section 4742(b) of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following:

"(6) RESEARCH PROJECTS.—To a transfer of marihuana to or by a person in the conduct of a research project conducted by an establishment currently registered under section 513 of the Public Health Service Act. Such registrant shall keep a record of all such marihuana used in such project, showing the amount used and the name and address of the person using such marihuana, and such record shall be kept for a period of two years from the date of such use, and be subject to inspection as provided in section 4773."

(e) Section 4751(4) of the Internal Revenue Code of 1954 is amended by striking out "research, instruction, or analysis" and inserting in lieu thereof "instruction or analysis, or for the purpose of research by an establishment currently registered under section 513 of the Public Health Service Act,".

TITLE V—MISCELLANEOUS

TRANSFERS OF AUTHORITY

SEC. 501. The functions, powers and duties of the Attorney General under Reorganization Plan Number 1 of 1968 to designate a drug as a depressant or stimulant drug under section 201(V) of the Federal Food, Drug, and Cosmetic Act, and to make a finding that a drug or other substance is an opiate under section 4731 of the Internal Revenue Code of 1954, to determine the medical, scientific, and other legitimate needs of the United States for the purpose of establishing manufacturing quotas for narcotic drugs under section 509 of the Narcotics Manufacturing Act of 1960, and the amounts of narcotic drugs that should be imported or exported under sections 173 and 182 of title 21 of the United States Code, are transferred to the Secretary.

AMENDMENTS RELATING TO TRANSFERS OF AUTHORITY

SEC. 502. (a) The Internal Revenue Code of 1954 is amended as follows:

(1) Section 4702(a)(1) is amended by striking out "The Secretary or his delegate" where it appears after subparagraph (B) and inserting in lieu thereof "The Secretary of Health, Education, and Welfare, after consultation with the Attorney General".

(2) Sections 4702(a)(3) and 4702(a)(5) are each amended by striking out "The Secretary or his delegate" where it appears in those sections and inserting in lieu thereof "The Secretary of Health, Education, and Welfare, after consultation with the Attorney General".

(3) Section 4705(c)(2)(C) is amended by striking out "The Secretary or his delegate" and inserting in lieu thereof "The Secretary of Health, Education, and Welfare, after consultation with the Attorney General".

(4) Sections 4731(g)(1) and 4731(g)(2) are each amended by striking out "The Secretary or his delegate (after considering the

technical advice of the Secretary of Health, Education, and Welfare or his delegate, on the subject)" and inserting in lieu thereof in each such section "The Secretary of Health, Education, and Welfare, after consultation with the Attorney General".

(b) Section 2(b) of the Narcotic Drugs Import and Export Act is amended by striking out "the board" and inserting in lieu thereof "the Secretary of Health, Education, and Welfare, after consultation with the Attorney General".

(c) Section 10(a) of the Opium Poppy Control Act of 1942 (21 U.S.C. 188) is amended by striking out "The Secretary of the Treasury" and inserting in lieu thereof "The Secretary of Health, Education, and Welfare, after consultation with the Attorney General".

(d) The Narcotics Manufacturing Act of 1960 is amended as follows:

(1) The second sentence of section 5(b) (21 U.S.C. 503) is amended by striking out "The Secretary or his delegate and inserting in lieu thereof "The Secretary of Health, Education, and Welfare, after consultation with the Attorney General".

(2) The second sentence of section 5(d) is amended by striking out "The Secretary or his delegate" and inserting in lieu thereof "The Secretary of Health, Education, and Welfare, after consultation with the Attorney General".

(3) Section 6 (21 U.S.C. 504) is amended by striking out "The Secretary or his delegate" the first and third time it appears and inserting in lieu thereof "The Secretary of Health, Education, and Welfare, after consultation with the Attorney General".

(4) Section 7(b) (21 U.S.C. 505(b)) is amended by striking out "if the Secretary or his delegate" and inserting in lieu thereof "if the Secretary of Health, Education, and Welfare, after consultation with the Attorney General".

(5) Paragraph (1) of Section 8(a) (21 U.S.C. 506 (a)) is amended by striking out "which will produce" and inserting in lieu thereof "which the Secretary of Health, Education, and Welfare, after consultation with the Attorney General, determines will produce".

(6) Section 11(a) (21 U.S.C. 509) is amended by striking out "the Secretary or his delegate" and inserting in lieu thereof "The Secretary of Health, Education, and Welfare, after consultation with the Attorney General".

(7) Section 11(b) is amended by striking out "the Secretary or his delegate" the first time it appears in that section and inserting in lieu thereof "The Secretary of Health, Education, and Welfare, after consultation with the Attorney General".

ADVISORY COMMITTEE

SEC. 503. The Secretary of Health, Education, and Welfare shall appoint a committee of experts to advise him with respect to any of the determinations pertaining to drugs which he is required to make under amendments made by this Act. This committee shall be known as the Advisory Committee on Narcotics and Dangerous Drugs. It shall be composed of not less than twelve persons of diverse professional backgrounds, including the fields of pharmacology, psychiatry, psychology and other behavioral sciences, manufacturing, and distribution, who, in the opinion of the Secretary, qualify as experts on the subject of narcotic drugs or depressant or stimulant drugs.

THE STUDENT TEACHER CORPS ACT OF 1969

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

Mr. STEIGER of Wisconsin. Mr. Speaker, I am introducing today a bill entitled the "Student Teacher Corps Act of 1969." Joining me in cosponsoring this legislation are Representatives BIESTER, BRADEMAS, BROCK, BURTON of California, BUSH, COUGHLIN, ESHLEMAN, FREY, HATHAWAY, HAWKINS, HOGAN, LUJAN, MCCLOSKEY, MEEDS, REID of New York, RIEGLE, RUPPE, SCHEUER, VANDER JAGT, and WHITEHURST.

This legislation would establish a Student Teacher Corps within the framework of the existing Teacher Corps. The Teacher Corps would provide the leadership, but the program would be operated entirely at the State and local level. The proposal envisions a carefully structured program of recruitment, training, and deployment of tutors, drawn from high school, college, and to some extent, the adult community.

As under the regular Teacher Corps program, proposals would be developed at the local level by schools and universities working in cooperation with community members and with the approval of the State department of education. The Federal Government would pay training, administrative costs and 90 percent of compensation. After training, Corps members would serve in the schools in teams under a leader from the school system.

The act provides for an increase in the present Teacher Corps authorization from $56,000,000 to $80,000,000.

No method of compensation of volunteers has been provided for under this bill and this is a feature which I feel would have to be drafted in committee as a result of hearings.

Mr. Speaker, a recent Gallup poll survey found that over one-half of our present college students have done volunteer work among the poor. The study also found that "an extraordinarily high proportion of students today want to go into the 'helping' professions, notably teaching—29 percent indicated that they expected to be engaged in teaching at age 40."

The recent trip that I made with 21 of my colleagues to college campuses throughout the country confirmed this trend. We found an encouraging desire to do something to help overcome the problems of our society.

This dedication or commitment to help others is a hopeful, important area which should be encouraged—

We reported. Our report went on:

We also recommend establishing a Student Teacher Corps. Many more students are considering entering the teaching profession and this idea is one which we feel should be encouraged. In concert with the Teacher Corps, the student teacher concept can be a valuable tool to tap student potential and expand the learning opportunities for the disadvantaged.

President Nixon has also given his endorsement to the idea of a Student Teacher Corps. During the 1968 presidential campaign, Mr. Nixon said:

Young Americans have shown their idealism and their dedication in the Peace Corps and in VISTA. To these now should be added a National Student Teacher Corps of high school and college students; carefully selected, paid volunteers who would work at the tutoring of core-city children. What they might lack in formal teaching skills, they could make up in the personal bonds of friendship and respect. . . . It represents the kind of helping hand needed across the nation.

The Subcommittee on Education of the Senate Labor and Public Welfare Committee held hearings on this legislation on Tuesday, July 15. The Senator from Wisconsin (Mr. NELSON), has introduced this measure in the other body. Witnesses at the hearings include: Judge Mary Conway Kohler, director, National Commission on Resources for Youth, Inc., accompanied by Mr. Meredith Weaver and tutors and tutees from the Washington youth tutoring youth project; Mrs. Louise C. Johnson, supervising director, department of pupil personnel services, title I program, District of Columbia Public Schools; Dr. Harris Wofford, president, State University of New York at Old Westbury; Dr. Carl Megel, legislative director, and Mr. David Selden, president, American Federation of Teachers; Mr. Allen Toothaker, director, Tutorial Assistance Center, National Student Association; and Mr. Earl Avery, director, UCLA tutorial project, University of California, Los Angeles.

The energy and concern displayed by our Nation's youth is a logical and important source of manpower and talent to help us improve our system of education, and yet we cannot expect our young people to simply volunteer their time and energy without giving them encouragement and direction. Experience has shown that often the volunteer is discouraged and frustrated because the efforts that he made on his own initiative to offer his services are unappreciated or ignored. Studies of existing tutoring programs demonstrate that careful training, a strong program structure within the school system, and close cooperation with parents and community groups are essential if student tutorial programs are to be effective. The Student Teacher Corps offers such a program.

ADMINISTRATION OPPOSES EDUCATION FUNDS CUTOFF

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

Mr. BROCK. Mr. Speaker, the Nixon administration has made very clear its position on legislation that would cut off funds to colleges and universities because of campus disorders. Two weeks ago, Health, Education, and Welfare Secretary Finch and Attorney General Mitchell, at the request of the President, wrote congressional leaders stating that the administration is opposed to punitive or repressive legislation.

Secretary Finch further spelled out the administration's position on campus unrest legislation in remarks before the Conference of Regional Education Laboratories meeting in Washington, July 17, 1969.

Mr. Speaker, I think it appropriate that each Member be allowed to study the administration's position and the arguments in its favor. Accordingly, I insert the text of the Finch-Mitchell let-

ter and excerpts from Secretary Finch's speech to be printed in the RECORD at this point:

TEXT OF LETTER TO SENATOR EVERETT DIRKSEN AND CONGRESSMAN GERALD R. FORD, JULY 17, 1969

We understand that efforts may be made during House debate on future appropriations bills to add a rider which would cut off Federal funds to institutions of higher education which experience campus disorders, or would require them to develop certain rules of behavior and plans to control conduct as a condition of receiving assistance. The President has requested that we give you the views of the Administration with regard to such legislation.

We realize that Congress is rightly concerned with the situation on college and university campuses. Violence and intimidation must not be permitted to undermine the university institution. In our studied judgment, however, such legislation would be counterproductive, and would seriously jeopardize the relationship between the academic community and the Federal government which has been of such inestimable benefit to our society. We strongly feel the threatened cutoff of institutional funds is an entirely inappropriate way of dealing with a serious problem. More specifically, we feel:

First, forcing institutions to submit or certify that they have developed such policies and plans dealing with campus disorders would imply a Federal standard by which their policies and plans would be judged. The Federal government must not be placed in the role of enforcer or overseer of rules and regulations for the conduct of students, faculty, and other university employees.

Second, the administrative independence of colleges and universities is an essential element of the academic freedom which this Nation has always cherished for its institutions of higher education. Responsibility for the orderly maintenance of these institutions should not be preempted by any Federal agency.

Third, Federal legislation already exists which withdraws aid from students who engage in disruptive violent acts at college. To extend this cutoff to institutions would go beyond existing laws and punish the entire academic community—which is, after all, the victim, not the instigator, of violence.

We are actively studying ways in which the Federal government might constructively assist institutions and protect the right of all Americans to pursue their education without disruption.

The President has asked us to send you these views with the hope that you will call them to the attention of your colleagues, so that there may be no misunderstanding of the Administration position in case such legislation is offered in the House.

Sincerely,

ROBERT FINCH,
Secretary, Department of Health, Education, and Welfare.

JOHN N. MITCHELL,
Attorney General.

EXCERPT FROM REMARKS BY HON. ROBERT H. FINCH, SECRETARY OF HEALTH, EDUCATION, AND WELFARE, BEFORE THE CONFERENCE OF REGIONAL EDUCATIONAL LABORATORIES WASHINGTON, D.C., JULY 17, 1969

Let me turn now to the second core problem to which I referred earlier—to that of "student unrest . . . and what to do about it."

Today, the Attorney General and I sent a letter to the Congressional leadership setting forth the Administration's position with respect to proposals for punitive legislation against the Nation's campuses. We state our unalterable opposition to certain techniques that have been proposed.

A full-scale affirmative response to issues of student unrest would take me too far afield . . . into the complexities of institutional change and renewal . . . and that is not my purpose today. But I feel rather sure of what not to do about it—and I want to spell out my objections once again for the record.

I am speaking now of the fund cut-off technique that some propose, to punish institutions of higher education where student unrest persists. My Department, of course, has informed the Nation's colleges and universities of their enforcement responsibilities under existing Federal legislation. We have placed the burden for coping with ferment, and for undertaking educational reform, squarely where it belongs—with the authorities on each local campus.

In every State there are laws adequate to curb disruption and punish violence. Implementation of these laws is a local responsibility—and, if the concept of federalism means anything at all, so it must remain.

Even the Federal laws now on the books, the ones that terminate financial assistance under certain specified circumstances, can only be administered by the institutions themselves—and so, in fact, were they designed by Congress. This means that we in HEW have no master list of the nearly 1.5 million students who receive some form of Federal assistance. We channel almost every dollar through campus officials.

DeTocqueville once observed that Americans—perhaps because they began with a written Constitution—always have tended to reduce social and political questions to legal ones. But this tendency . . . this penchant always for passing law . . . can also become a barrier to rational—and effective—response.

Not all our problems are open to a legislative solution. And certainly this is the case with respect to proposals for fund cut-offs to universities that cannot, on command, quell campus disorders.

On the basis of hundreds of letters that have crossed my desk, and scores of personal talks, not a single educator—hard-line or soft-line or anywhere in between—favors this approach. They recognize that it does not address the causes of unrest, and I agree with this expert view.

Such a mechanism would not, in any case, really reach the wrongdoers—the militants on the barricades who, mostly, are children of the affluent and not of the poor. Financial pressures are just not operative on them—they can pack their bags and start trouble elsewhere. And to extend the cut-off to institutions would be to punish the entire academic community—which is, after all, the victim, not the instigator, of violence.

Furthermore, the technique of institutional cut-offs would play right into the hands of the extremists. They want the schools shut down. All they need is the cynicism to create a disruptive situation—and we know how easy that really is—at which point someone presumably decides that the quantum of ferment has been exceeded, and the green Federal juices dry up.

Many institutions would probably be forced to close their doors—which is fair neither to society, nor to the vast majority of students who want an education—and I am unalterably opposed to putting such an extortion weapon into the hands of the extremists.

The administrative implications of enforcing such fund cut-offs would, in themselves, raise a further range of unanswerable questions. Enforcement would have to proceed according to some arbitrary thermometer of revolt. How much disruption is too much? Is it to be measured by the institutions' own codes? If so—how are they, and how effectively do they preserve legitimate dissent?

There is no Federal code of student conduct—there can be none, and there never should be one. And Federal enforcement of State, local, and institutional codes would involve a Federal force of campus policemen numbering in the thousands—and would constitute an administrative nightmare, devoid of criteria for rational judgment.

One final objection—and this one perhaps the most fundamental of all. Such techniques of repressive Federal intervention into the affairs of each local campus violate the most deep-dooted, the most honored traditions of American education—and would, in the end, destroy its essential nature.

We want our universities to be centers of diversity . . . creative, independent, components of a vigorous pluralism. We do not want a monotonous and monolithic imposed unity—in which all our educational institutions conform to a Federal code of conduct, to a stifling Federal intervention.

To advocate such intervention, in my view, is a form of radical extremism—fatal, indeed, to the perpetuation of our free and pluralistic society.

COMPREHENSIVE PROGRAM FOR VETERANS EDUCATIONAL ASSISTANCE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. HALPERN) is recognized for 10 minutes.

Mr. HALPERN. Mr. Speaker, to correct the deplorable circumstances which cause returning Vietnam veterans not to take advantage of their GI bill of rights, I have introduced H.R. 13006 to provide added educational and training incentives for returning veterans and to establish a predischarge education program.

The blatant inadequacies in the current veterans' law are disgraceful. Only one out of every 10 veterans is using the GI bill benefits today and those who need it the most—the disadvantaged and high school dropouts—are ignoring it.

Certainly we have an obligation to motivate these men and women to be just as valuable to their country in civilian life as they were in military life. Twenty-three percent of the 1 million men and women in the Armed Forces who will be discharged this year are high school dropouts, yet only 2.4 percent are participating in GI bill education programs.

The bill I have introduced is identical with the goals of similar legislation introduced by Senator ALAN CRANSTON, S. 2668. It would establish four programs administered by the Veterans' Administration. They are:

First. Educational assistance payments for college preparatory or academic deficiency courses in other than secondary schools.

Second. Direct allowances for expenses for refresher courses, tutorial or remedial aid, counseling or other special aid for veterans already enrolled in school.

Third. Allow noncredit deficiency courses to be counted toward full-time status to enable veterans to secure a full-time educational assistance payment.

Fourth. A predischarge educational program—PREP—providing veterans with education or vocational training prior to their discharge from active military duty.

The program would be financed by VA payments to the eligible veterans or on

their behalf to educational institutions. The VA would also consult with the Secretary of Defense and would draw upon the experience of the Office of Education in establishing these programs.

Before explaining how each of these programs would operate, I want to say a few words about the failure of the existing GI bill which was amended in 1967 to help educationally disadvantaged veterans. One of the reasons the program has failed is because benefit allowances are not sufficient for today's cost of living. Following World War II, 50 percent of the eligible veterans utilized the college and vocational aid available under the GI bill. But since January of 1966, only 21.4 percent of the Vietnam vets have utilized their benefits. One of the reasons for this is the lack of funding available for prospective college students. At the present time only $130 a month is available for a single man who wishes to continue his education. With the increase in prices since World War II, this amount is grossly insufficient. The gentleman from Texas (Mr. TEAGUE) has introduced H.R. 11959, which would raise these allotments. I heartily support his bill, as well as my own bill, H.R. 12461, which proposes an even larger increase in funding—a 50-percent increase to $190 a month.

But the real reason for the failure of the GI bill today is lack of motivation. The average 22-year-old returning veteran today does not look favorably upon the prospect of returning to high school—especially if he already has a family or plans to get married, and most of these programs until now have not really met the needs of returning GI's.

This is evident from the statistics on veteran utilization of GI benefits. After World War II, 50 percent of the veterans used their rights; after Korea, 42 percent used their rights. Today a little over 20 percent are using their rights.

Today, almost a quarter of the over 70,000 returning Vietnam veterans each month have not finished high school. Only a tenth are taking advantage of the existing programs available under the GI bill. Many of these young men are from disadvantaged backgrounds—from the Nation's ghettos as well as its rural wastelands where they have become alienated from the mainstream of American life.

It is essential that the country now does not lose the energy of these young men. President Nixon recognized this problem when he said, upon establishing his Committee on the Vietnam Veterans:

> Veterans benefits have become more than a recognition for services performed in the past, they have become an investment in the future of the Veteran and his country. The time has come for a careful re-evaluation of this investment. Just as there is a difference between the kinds of battles fought at Normandy in 1944 and in South Vietnam in 1969, so there is also a difference in the kinds of problems faced by the returning veterans of these battles. Therefore, we must be certain our programs are tailored to meet the needs of today's veterans.

The first of the four programs established under H.R. 13006 tries to help motivate veterans to use their educational benefits under section 1678 of title 38 of the United States Code. This program permits refresher courses to be taken at any appropriate institution offering such courses, including junior and senior colleges. At present these courses can only be taken at secondary schools which usually are not sensitive to the needs of veterans with records of failure in high school.

Under the 1967 GI bill amendments, the veteran who needed additional high school or equivalent training was entitled to receive full educational assistance allowances without having it charged against his entitlement. But the veteran was required to take these courses at a secondary school. The low utilization level—10 percent—which I previously mentioned has arisen from multiple causes which could be offset by this new program.

Presently, a veteran who needs a refresher or deficiency course in order to qualify for admission to an educational institution for which he is otherwise qualified, must take these courses at a secondary school. My bill would permit these courses to be taken at any qualified institution offering precollege assistance. This would include junior colleges, preparatory schools, community colleges, and special programs under the auspices of universities.

The second provision in H.R. 13006 provides for direct payment to the educational institution for expenses of refresher courses, remedial assistance, tutorial, counseling, or other assistance or training the veteran may undertake while enrolled there. This provision also falls under section 1678 which covers special training for the disadvantaged veteran. As in the first program, the payment is made directly to the educational institution involved and no charge is made against the veteran's period of entitlement under the GI bill.

The third provision would provide that noncredit courses, which the veteran must take because of some deficiency in his educational background, may be counted toward full-time status, so that he can receive the full-time educational assistance allowance.

For instance, if a veteran started college before entering the service and now wants to change his major, but he is deficient in certain areas, the noncredit prerequisite courses he would have to take would count toward his full-time allowance eligibility. This would not apply to any noncredit courses which the Veterans' Administration would be paying for under the second provision in this bill.

The veteran would be allowed to take the number of noncredit courses necessitated because of a deficiency, which when added to his credit hours would be the equivalent of a full semester load.

The final provision envisioned in the bill is the most far reaching. It establishes a predischarge education program—PREP—to provide educational vocational training to veterans prior to their discharge from active military duty. This would represent the farthest step yet taken to speed the assimilation of the veteran into civilian life.

As Senator CRANSTON so well stated, when introducing his bill:

> Increasing GI Bill utilization is the principal purpose of the PREP program which would be established by the bill. This program would seek to reach the Veteran before his discharge by involving him, in the last year of his military service, in education or training which would prepare him to pursue education or training under the GI Bill.

Joseph Cannon, the acting director of the veterans' affairs division of the Urban League has stated:

> Two major problems his organization faces are—
>
> The inability of emerging servicemen to get information in regards to pursuing education and available education program; and
>
> The failure of the average Negro GI to obtain skills in military service which can easily be transferred to any civilian jobs which offer upward mobility in either pay or status.

Although the PREP program is not limited to people from disadvantaged backgrounds, it is clear that they are the ones who are most in need of the assistance which PREP would provide. It would involve them in the program and then guide them in taking advantage of continuing aid available under the regular GI bill following their discharge.

The PREP program would operate as an extension of Project Transition presently run by the Defense Department. Project Transition was established in 1967. It is primarily for individuals who most need vocational training or education in order to make the change to civilian life. The in-service training is provided during the serviceman's last 6 months of duty and emphasizes counseling, training, education, and placement.

Thus far, the program has not reached its potential. Of the 940,000 men and women separated from the armed services during this period, only 60,000 were reached. Only 26 percent of the participants in the program have not finished high school. This is only slightly higher than the overall military level of 21.4 percent. Most of the training under Project Transition has been undertaken by the military services themselves. PREP would fill a link here by providing funds to entice private instruction, counseling, and guidance.

All members of the Armed Forces who have served at least 1 year of active duty and have 12 months or less of active duty remaining would be eligible. The Veterans' Administration, working jointly with the Secretary of Defense and the Commissioner of Education, would pay the expenses necessary for the program. It is important to note that the servicemen enrolled in PREP may only take courses required for, or preparatory to the educational training or vocation they plan to pursue following their release from active duty. As with the other provisions in the bill, the funds will be paid directly to the educational institution.

These four programs which provide educational and training assistance represent a giant step in repaying our obligation to our veterans and helping de-

velop them into worthwhile citizens of peace. Senator KENNEDY expressed this feeling recently when he said:

This nation has a rare opportunity to assist and benefit from the men who have broken out of disadvantaged background; and matured in the service. If we follow through with full veterans programs, including educational services for veterans, we can insure that returning servicemen will not revert to unproductive lives in ghettos or other areas. Rather, veterans whose horizon and aspirations have broadened in the service can continue to contribute to our national welfare as constructive, well-educated citizens. We have an obligation both to the men as individuals, and to society as a whole to give them a chance.

It is my feeling that the enactment of H.R. 13006 would be an investment in these men which would reap a profit for all the citizens of America.

JULY 25 IN PUERTO RICO

The SPEAKER pro tempore. Under a previous order of the House, the Resident Commissioner from Puerto Rico (Mr. CÓRDOVA) is recognized for 15 minutes.

Mr. CORDOVA. Mr. Speaker, the 25th of July is a date which has long been significant in Puerto Rico. Its original significance, while Puerto Rico was part of the once vast Spanish domain in America, lay in the fact that it is the feast day of the patron saint of Spain, the Apostle James—Santiago. It acquired a very special significance in 1898, when Gen. Nelson Miles and his troops landed at Guánica on July 25 and brought with them the Stars and Stripes which have ever since flown in Puerto Rico. A third dimension was added in 1952, when July 25 was selected, precisely because of its already significant importance in Puerto Rican history, as the date on which the Constitution of the Commonwealth of Puerto Rico should become effective.

In a very real sense, the 25th of July symbolizes not only some of the most significant elements of the history of Puerto Rico but also some of the most significant elements of its culture and its spirit. For Puerto Rico is proud of the Spanish heritage, the Christian faith, which are recalled on this date in the celebration of the feast of Santiago throughout the Spanish-speaking world. Puerto Ricans are proud of the citizenship which they share with 200 million other Americans in the 50 States of the Union. Puerto Ricans are proudly bearing the Stars and Stripes in remote regions of the world, in the service of their country, as they have previously done in all of the conflicts in which our Nation has been involved since the First World War. And Puerto Rico is extremely proud of the democratic tradition, and the principles of individual dignity and integrity which are embodied in the Constitution of the Commonwealth.

In observing this anniversary, Puerto Rica is particularly happy to salute the three men who have successfully terminated the most momentous journey in the history of man, and to give thanks to God for their safe return.

U.S.S. "PUEBLO"—A TRAGEDY OF ERRORS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. BRAY) is recognized for 10 minutes.

Mr. BRAY. Mr. Speaker, after 5 months' work and extensive hearings, the Special Subcommittee on the U.S.S. *Pueblo* and the EC–121 of the Committee on Armed Services has finished its report. I had the honor to serve as ranking Republican member of this subcommittee. The result of long, painstaking work, the report, in its own words, lays bare "serious deficiencies" with "frightful implications" for our national security. The subcommittee felt it was beyond the scope of the report to make specific recommendations for solutions to the problems uncovered. But the subcommittee does recommend, to quote from the report: "that the President establish a special study group of experienced and distinguished civilian and military personnel to approach this problem on an emergency basis and make such recommendations for changes in both the National Security Act and the military structure itself that will provide our Nation and its military forces with a genuine capability to respond quickly and decisively to emergencies of a national security nature."

The report, quite lengthy, reflects the unanimous view of all nine members of the subcommittee. The consequences of the *Pueblo* are that the incident destroyed a 150-year-old image of prestige and invincibility, and did incalculable harm to our diplomatic credibility, as well as to our reliability as military allies. It is an extremely serious compromise of our Nation's intelligence capability. Following are some of the highlights of the report.

U.S.S. "PUEBLO" INADEQUATELY PREPARED

Loss of the ship itself, and its equipment, was relatively harmless. But, overall, considering loss of the documents aboard, as the report says:

We have sustained a most serious intelligence loss, a loss which could have been precluded entirely by appropriate planning for the intelligence collection mission.

There was inadequate preparation; this was the first intelligence-gathering mission directed against North Korea, but the *Pueblo* did not have adequately trained personnel. The ship had no provision for storage of registered publications, nor did it have a proper incinerator. A request by Commander Bucher for emergency destruction devices was turned down.

The security group detachment was never formally inspected. Its state of readiness was only assumed. The officer in charge of the detachment knew that the North Korean linguists on *Pueblo* were not qualified, but he failed to inform Commander Bucher of this. The linguists were incapable of obtaining and passing on information that might have been monitored from North Korean radio broadcasts, and this fact alone may have contributed materially to the situation.

The Navy had not allowed for delays in outfitting the ship before it left, and, as a result, many of Commander Bucher's requests for outfitting were never approved. And, although the Navy had some months earlier ordered installation of defensive armament on all ships, save hospital ships and submarines, the Commander Naval Forces Japan never received the directive. As a result, the *Pueblo* only received two .50-caliber machineguns; the least any ship was to receive was 20-millimeter cannon.

The *Pueblo* was inspected by higher authority at Japan, before it sailed, to check the effectiveness of destruction capability of classified material, but the inspection was found to have been "informal and cursory" and *Pueblo*'s capability was obviously inadequate. Commander Bucher was told in Japan that his mission was probably to be off North Korea, and that, if he was attacked, U.S. forces were prepared to act. But he was also told any rescue help would be too late to save the ship.

A POSSIBLE NORTH KOREAN REACTION TO "PUEBLO" IGNORED

The report is especially critical of failure of high defense authority to realize the high risk involved in the *Pueblo*'s mission. The risk was classed as minimal on the grounds that the ship would be operating in international waters, and on the very shaky and thoroughly unjustified assumption that North Korea would respect and observe international law in this regard. But, at the time *Pueblo* sailed, North Korea had been giving ample demonstration in various ways, for some time, of an increasingly hostile and belligerent attitude.

The National Security Agency, alone, deserves special praise for being alert to the risk. NSA, on December 29, 1967, sent a message to the Joint Chiefs of Staff and to the Joint Reconnaissance Center which, and I quote from the report: "questioned the minimal risk assessment assigned the U.S.S. *Pueblo* mission."

The report continued:

This message recited a history of North Korean incidents and suggested that in view of the evident increase in hostile actions taken by the North Koreans, it might be considered desirable to establish ship protective measures for the U.S.S. *Pueblo* mission.

THE LOST MESSAGE

This message never got from the Joint Chiefs, to the Chief of Naval Operations. It was lost somewhere in the Pentagon. A copy was sent to the Defense Intelligence Agency by the Pentagon's Special Communications Center but DIA took no action. When our subcommittee asked why, the explanation given was that the message came in at night over a holiday.

As the report says, about the handling of this message:

At best, it suggests an unfortunate coincidence of omission; at worst, it suggests the highest order of incompetence.

The existence of such a message was never even hinted at when the Pentagon briefed congressional committees immediately after the incident, and no mention was made of it until March 4, 1969. The impression is that there was a

deliberate attempt to conceal the fact the message had ever existed. Handling of it was bad enough, but trying to cover it up is worse yet.

NORTH KOREA OPENLY BELLIGERENT

In addition to this, North Korea's Radio Pyongyang, on January 8 and January 11, 1968, accused the United States of committing provocative acts along the east coast of Korea, and the North Koreans threatened retaliatory action. The *Pueblo* was seized on January 23, 1968; neither the commander in chief, Pacific Fleet Headquarters, nor commander, Naval Forces Japan, had been made aware of these newest North Korean threats.

Now, it has been known for some time that North Korea's Premier Kim Il-Sung is a reckless and quite possibly unstable man who will stop at nothing to get what he wants. A fellow-Korean has called him:

A Stalinist dictator whose fanatical dedication to revolutionary objectives is surpassed only by his brash audacity in seeking to carry them out in the face of all obstacles.

THE COMMUNICATION GAP

The Navy had no contingency plans for rescue of the *Pueblo* in case of an emergency. To compound this lack, the only forces on call that could have helped were air, but there was no provision for communication between the *Pueblo* and aircraft; the provisions were only for ship-to-ship transmission.

The report expresses great concern over, and uses the term "human inefficiency" to describe the delays in the two critical messages getting from *Pueblo* to higher authority, which could have acted. The report, incidentally, carries a full log of messages from the *Pueblo* and others, showing timelag until receipt.

I would like to cite some of these timelags. With the first message, it ranged from 23 minutes—to commander, Naval Force, Japan—up to 2 hours and 34 minutes—to the Joint Chiefs of Staff. With the second, it reached commander, Naval Forces Japan in 4 minutes, but did not get to the JCS for 1 hour and 39 minutes.

Lacking of emergency telephone procedures meant a 40-minute delay in the Navy's asking help from the Air Force. The Navy had a carrier about 1 hour's flight time away, but did not use it. At the same time, of the many Air Force bases in Japan, not one was alerted, nor was aid sought from them, by responsible authorities.

Air Force planes were eventually dispatched from Okinawa, but they did not have enough fuel, were diverted to South Korea, then kept from taking off again because of darkness. It seems the responsible commanders had both the authority and opportunity to act if they could have done so at once. But they could not, for the reasons outlined above.

REACTION OF COMMANDER BUCHER

I want to comment specifically on Commander Bucher's role when the ship was first threatened, then boarded. Our subcommittee studied transcripts of the messages sent to and from the *Pueblo*, from the time of the first threat to actual boarding. A complete log of these messages, with their content, and time of transmission, is included in the report. It is obvious from the text of the messages Commander Bucher sent, and from those going back to him, that he did not intend to resist, and that higher authority did not react to this, nor did they order him to take any other course of action.

Again, to quote directly from the report:

Therefore, the failure of Commander Naval Forces Japan and higher naval authority to officially respond to these communications and direct the *Pueblo* to take more aggressive and positive actions constitutes, in the view of the subcommittee, a tacit endorsement and approval by Commander Naval Forces Japan of the actions taken by the *Pueblo*.

EC–121

The subcommittee was also given responsibility for investigation of the EC–121 incident, when an air reconnaissance plane was shot down by North Korean planes in international air space, over the Sea of Japan, on April 14, 1969. Our response to this was quick, but, again, we found preparations had been lacking.

CONCLUSION

I wish to conclude by quoting directly from the "Summary of Findings and Recommendations" in the subcommittee's report:

The inquiry made by this special subcommittee into the U.S.S. *Pueblo* and the EC–121 incidents has resulted in the unanimous view that there exist serious deficiencies in the organizational and administrative military command structure of both the Department of the Navy and the Department of Defense. If nothing else, the inquiry revea's the existence of a vast and complex military structure capable of acquiring almost infinite amounts of information, but with a demonstrated inability, in these two instances, to relay this information in a timely and comprehensive fashion to those charged with the responsibility for making decisions.

As President Nixon recently said, "When a war can be decided in 20 minutes, the nation that is behind will have no time to catch up."

The reluctant but inescapable conclusion finally reached by the subcommittee is that because of the vastness of the military structure, with its complex division into multiple layers of command, and the failure of responsible authorities at the seat of government to either delegate responsibility or in the alternative provide clear and unequivocal guidelines governing policy in emergency siuations—our military command structure is now simply unable to meet the emergency criterion outlined and suggested by the President himself.

FEDERAL CONTRACTING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. FARBSTEIN) is recognized for 20 minutes.

Mr. FARBSTEIN. Mr. Speaker, I have today introduced legislation which would bar for a 2-year period Federal contracting and procurement officers from taking jobs with contractors or other direct beneficiaries of the contracts that they have participated in granting, awarding, or administering. It is the companion measure to legislation introduced by Senator PROXMIRE, of Wisconsin, last Thursday.

The country has increasingly become aware of the fact that prime military weapons systems contracts normally exceed their estimates by 100 to 200 percent, that deliveries can be delayed for years, that the quality of the finished product is frequently quite poor, and that defense contractors in many instances enjoy huge levels of profits.

By taking effective steps now to eliminate this kind of waste, billions of dollars could be slashed from the defense budget annually without affecting national security or reducing funds for the Vietnam war. A former official of the Defense Department's Office of the Controller puts the figure that can be saved for fiscal 1970 at $9.2 billion.

The Congress and the American people have the right to ask why the Defense Department not only has allowed this situation to develop but has attempted to cover it up once it was brought into the open.

I do not believe there is a conspiracy to defraud the American people. In the past many of the officers have performed valiant and even heroic service on behalf of the United States. The country is indeed grateful to them for their past service and for their patriotic endeavors.

But what can be said, and should properly be said, is that there are inherent factors in the present system of defense procurement which contribute to the waste and inefficiencies.

Primary among these is the fact that less than 10 percent of defense contracts are handled through open bidding. The advanced state of technology, we are told, has left the checks and balances of the free enterprise system inoperative. The highly specialized nature of military technology today has meant that only a few contractors, and in some cases only one, have the capacity to undertake many defense contracts. Turning this figure around, this means that over 90 percent of the $40 billion in defense contracts annually let are negotiated putting DOD personnel on one side of a table with personnel of the defense firm on the other.

A second major fact is the conglomerate nature of the defense industry. A handful of American firms control the overwhelming majority of the personnel and facilities needed to successfully complete a defense contract. The result is that only 10 defense contractors during fiscal 1968 accounted for 30 percent of all defense contracts.

But what makes these two facts so critically important is that so many Defense Department personnel end up working for defense contractors when they leave the Department. According to a report prepared by the Department in March, there are 2,072 retired military officers of the rank of colonel or Navy captain and above employed by the 100 contractors, which do the most business with the Defense Department.

I am sure this most dangerous and shocking situation is not a question of deliberate wrongdoing, but rather a question of what can be called the old school tie—a community of interest between the Defense Department official and the defense contractor which works

to the benefit of the large contractors who employ a large number of retired Defense Department personnel.

Former high-ranking military officials have access to the Pentagon that others do not have. Former high-ranking officials have personal friendships with those still at the Pentagon.

And in some cases former officers may even negotiate contracts with their former fellow officers. Or they may be involved in developing plans and specifications, making proposals, drawing up blueprints, or taking part in the planning process or proposing prospective weapons systems. And they may be doing this in cooperation with their former fellow officers with whom they served and by whom in some cases even promoted.

In addition, there is the subtle or unconscious temptation to the officer still on active duty. After all, he can see that over 2,000 of his fellow officers work for big companies. How hard a bargain does he drive with them when he is 1 or 2 years away from retirement?

Witness the case of five former Air Force officers who blocked efforts to cut costs on the Minuteman missile guidance and control system. In so doing they were helping the contractor. Subsequently, these officers accepted executive jobs with the system's manufacturer, North American Rockwell. According to the Justice Department, these officials violated no current law.

What we have is a 1969 version of the 5 percenters of the Korean war era—former Government employees who peddled their "influence" to contractors for a fee—usually 5 percent of the contract.

The bill I am introducing today would go a long way toward remedying this situation by making this type of activity a violation of Federal law, subject to criminal penalties.

My bill would bar an employee who participated personally and substantially in the granting, awarding, or administration of a contract or grant from taking a job within 2 years of terminating his Federal employment with anyone who has a direct or substantial interest in the contract or grant. The penalty for violating this bar would be a maximum fine of $10,000 and/or a maximum prison sentence of 2 years.

This legislation is designed to cut down on the incentive for Federal contracting and procurement officers to make lucrative awards to private companies and then leave the Federal Government to accept a generous job offer from one of those companies. The ultimate effect should be to cut down substantially on the tremendous cost overruns that the Federal Government has been experiencing on its contracts.

The bill will apply to those individuals who play an important role in the decisional process which confers a financial benefit upon a contractor, grantee, claimant, or any other beneficiary. However, I do not intend to prevent any Federal officer or employee who works for the procurement or grant office, or who has responsibility over it, from taking subsequent employment with any beneficiary of Federal largesse. My bill would only prevent such employees from taking jobs with those contractors or grantees who have benefited directly from some action on their part—the participation must be personal and it must be substantial. The pro forma signature of the Secretary of Defense on a procurement authorization, for example, would not, in my opinion, constitute personal and substantial involvement such as to bar subsequent employment under this bill.

The text of H.R. 13138 follows:

H.R. 13138

A bill to amend Public Law 87-849, approved October 23, 1962, to strengthen provisions relating to disqualification of former Federal officers and employees in matters connected with former duties and official responsibilities, and for other purposes.

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

SECTION 1. Subsection (a) of section 1 of Public Law 87-849 approved October 23, 1962 (76 Stat. 1123), pertaining to disqualification of former officers and employees in matters connected with former duties or officials responsibilities, and disqualification of partners, is hereby amended by inserting after the word "responsibility" at the end of subparagraph (b) a new subparagraph (c) as follows:

"(c) Whoever, having been an officer or employee of the executive branch of the United States Government, or any independent agency of the United States, or of the District of Columbia, including a special Government employee, and who, having participated personally and substantially during the last two years of such employment as such officer or employee, through decision, approval, disapproval, recommendation, the rendering of advice, investigation, or otherwise, in the granting, awarding, or administration of any contract, bid, grant, or procurement authorization whose total value exceeds $10,000, is employed in any capacity within two years after his employment has ceased by anyone other than the United States who has a direct and substantial interest in the contract, bid, grant, or procurement authorization in which he participated personally and substantially while so employed—".

SEC. 2. Subsection (a) of section 1 of Public Law 87-849 is hereby further amended by—

(a) striking, after the word "responsibility" at the end of the second subparagraph, the dash, and inserting in lieu thereof ", or";

(b) inserting after the words "That nothing in subsection (a) or (b)" in the third subparagraph, the words "or (c)";

(c) striking the period after the word "employee" at the end of the third subparagraph, inserting in lieu thereof a semicolon, and inserting further the following additional proviso: *"Provided further,* That nothing in subsection (a) or (b) or (c) prevents a former officer or employee from becoming employed by an agency of any State or local government or any educational institution if the head of his former department or agency shall make a certification in writing, published in the Federal Register, that the national interest would be served by such employment, and that such former officer or employee may act as agent or attorney during such employment on any matter formerly within his official responsibility or in which he has personally and substantially participated if the certification shall so state."; and

(d) striking at the beginning of the fourth subparagraph the clause designation "(c)" and inserting in lieu thereof the clause designation "(d)".

MACHIASPORT

(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, for over a year now, Machiasport, Maine, has been in the news as a potential free trade zone. The establishment of this foreign trade zone and the building within it of an oil refinery and industrial complex could bring substantial economic benefits to all of New England.

The benefits of an oil refinery at Machiasport would save New Englanders as much as $158 million annually according to the enclosed editorial from the New York Times and reprinted in the Daily Eagle of Claremont, N.H.

I have included this editorial for the interest of my colleagues and urge Secretary Hickel to act favorably and promptly.

The editorial follows:

SERVICE FOR WHOM?

In an oblique attack on proposals to build an oil complex in Maine that would utilize imported petroleum at lower prices than currently available, Secretary of the Interior Walter J. Hickel told the National Petroleum Council the other day that the present import quota system for oil had "served well until we began to develop many exceptions."

There is no question that import restrictions have well served those who profit handsomely from protected, high-cost domestic oil production. But for the many New Englanders who are compelled to purchase petroleum products, oil quotas have meant hundreds of millions of dollars a year in excessive prices. Professor Joel B. Dirlam of the University of Rhode Island estimated before a Senate subcommittee last spring that the proposed Main refinery alone could result in savings for New England of as much as $158 million annually.

It is the responsibility of the Interior Secretary, who is a member of the presidential task force studying the Maine proposal, to serve a broader public interest than that of domestic oil producers.

INTER-AMERICAN DEVELOPMENT INSTITUTE

(Mr. FASCELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. FASCELL. Mr. Speaker, on behalf of six of my colleagues of the Committee on Foreign Affairs and myself, I am today introducing a bill to establish an Inter-American Development Institute. And I would like to say a few words about it.

Mr. Speaker, the cause of freedom, security, and economic progress in this hemisphere depends essentially on two factors: What the Latin Americans do for themselves, and what we in the United States do to assist them to bring about peaceful social and economic revolutions in their countries.

Both of those tasks are being closely reexamined at this time. The failures and the achievements of the Alliance for Progress are being reviewed and initial decisions are already being made about a new development strategy for the 1970's.

Last week, following 5 months of hearings and related studies, the Subcommittee on Inter-American Affairs of the House Foreign Affairs Committee issued a report recommending sweeping changes

in U.S. aid and trade policies aimed at Latin America.

We did not recommend increased foreign aid. But we did urge that some of the fundamental premises and emphases of our aid programs be carefully and thoroughly redirected.

For example, we recommended that instead of concentrating so overwhelmingly on economic development, the United States should apply increased attention and assistance to the task of promoting social and civic development of Latin America.

Among the new directions which the subcommittee proposed was the creation of an imaginative, flexible instrument through which the talents, ingenuity, good will and other resources of the American people could be brought to bear on that type of development.

These changes—changes in attitudes of peoples, in their skills, and in the basic organization of their societies—cannot be accomplished overnight.

They take a long time, require many inputs, and—generally speaking—can be advanced most effectively with maximum help and participation of the private sector.

Today, together with Congressmen JOHN S. MONAGAN, EDWARD R. ROYBAL, BENJAMIN S. ROSENTHAL, JOHN C. CULVER, F. BRADFORD MORSE, and JAMES G. FULTON, of Pennsylvania, I am introducing legislation to carry out this part of our subcommittee's recommendations.

The bill which we are introducing would establish the Inter-American Development Institute—a semiprivate entity, created by the Congress, and managed by a board of directors drawn partly from the private sector and partly from U.S. Government agencies involved in inter-American affairs.

This Institute would obtain its capital from a variety of sources—private and public, governmental and international—interested in promoting long-term social and civic change in Latin America.

And while connected with and guided by U.S. policies, the Institute would operate outside the formal U.S. presence in Latin America—outside our embassies and AID missions.

Mr. Speaker, the proposal which we are introducing today does not involve an increased authorization or appropriation for foreign aid. It would simply provide a better, more effective way of using some of the funds provided by the Congress for the Alliance for Progress.

At this point I insert the text of our bill, and the text of a memorandum explaining its purposes, in the RECORD:

H.R. 13120

A bill to promote the foreign policy of the United States and to provide for the establishment of the Inter-American Development Institute to promote developmental activities in the Western Hemisphere, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there is created as an agency of the United States of America a body corporate to be known as the "Inter-American Development Institute" (hereafter in this Act referred to as the "Institute").

SEC. 2. (a) The future of freedom, security, and economic development in the Western Hemisphere rests on the realization that man is the foundation of all human progress. It is the purpose of this Act to provide support for developmental activities designed to achieve conditions in the Western Hemisphere under which the dignity and the worth of each human person will be respected and under which all men will be afforded the opportunity to develop their potential, to seek through gainful and productive work the fulfillment of their aspirations for a better life, and to live in justice and peace. To this end, it shall be the purpose of the Institute, in cooperation with national governments, regional and international organizations, and nongovernmental entities, to—

(1) strengthen the bonds of friendship and understanding among the peoples of this hemisphere;

(2) support self-help efforts designed to enlarge the opportunities for individual development;

(3) stimulate and assist effective and ever wider participation of the people in the development process;

(4) encourage the establishment and growth of democratic institutions, private and governmental, appropriate to the requirements of the individual sovereign nations of this hemisphere.

In pursuing these purposes, the Institute shall place primary emphasis on the enlargement of educational opportunities at all levels, the production of food and the development of agriculture, and the improvement of environmental conditions relating to health, maternal and child care, family planning, housing, and other social and economic needs of the people.

(b) The Institute shall carry out the purposes set forth in subsection (a) of this section through and with private organizations, individuals, governmental agencies and international organizations by undertaking or sponsoring appropriate research and by planning, initiating, assisting, financing, administering, and executing programs and projects designed to promote the achievement of such purposes.

(c) In carrying out its functions under this Act, the Institute shall, to the maximum extent possible, coordinate its undertakings with the developmental activities in the Western Hemisphere of the various organs of the Organization of American States, the United States Government, international organizations, and other entities engaged in promoting social and economic development of Latin America.

SEC. 3. The Institute, as a corporation—

(1) shall have perpetual succession unless sooner dissolved by an Act of Congress;

(2) may adopt, alter, and use a corporate seal, which shall be judicially noticed;

(3) may make and perform contracts and other agreements with any individual, corporation, or other body of persons however designated whether within or without the United States of America, and with any government or governmental agency, domestic or foreign;

(4) shall determine and prescribe the manner in which its obligations shall be incurred and its expenses allowed and paid;

(5) may, as necessary for the transaction of the business of the Institute, employ, and fix the compensation of, officers, employees, agents, and attorneys.

(6) may acquire by purchase, devise, bequest, or gift, or otherwise lease, hold, and improve, such real and personal property as it finds to be necessary to its purposes, whether within or without the United States, and in any manner dispose of all such real and personal property held by it and use as general funds all receipts arising from the disposition of such property;

(7) shall be entitled to the use of the United States mails in the same manner and on the same conditions as the executive departments of the Government;

(8) may, with the consent of any board, corporation, commission, independent establishment, or executive department of the Government, including any field service thereof, avail itself of the use of information, services, facilities, officers, and employees thereof in carrying out the provisions of this Act;

(9) may accept money, funds, property, and services of every kind by gift, devise, bequest, grant, or otherwise, and make advances, grants, and loans to any individual, corporation, or other body of persons, whether within or without the United States of America, or to any government or governmental agency, domestic or foreign, when deemed advisable by the Institute in furtherance of its purposes;

(10) may sue and be sued, complain, and defend, in its corporate name in any court of competent jurisdiction; and

(11) shall have such other powers as may be necessary and incident to carrying out its powers and duties under this Act.

SEC. 4. Upon termination of the corporate life of the Institute all of its assets shall be liquidated and, unless otherwise provided by Congress, shall be transferred to the United States Treasury as the property of the United States.

SEC. 5. (a) The management of the Institute shall be vested in a board of directors (hereafter in this Act referred to as the "Board") composed of seven members appointed by the President, by and with the advice and consent of the Senate, one of whom he shall designate to serve as Chairman of the Board and one of whom he shall designate to serve as Vice Chairman of the Board. Three members of the Board shall be appointed from private life. Four members of the Board shall be appointed from among officers or employees of agencies of the United States concerned with Inter-American Affairs.

(b) Terms of the members of the Board shall be at the pleasure of the President of the United States.

(c) Members of the Board appointed from private life shall receive compensation at the rate provided for level IV of the Executive Schedule (5 U.S.C. 5315), except that any such member serving as Chairman of the Board shall receive compensation at the rate provided for level III of the Executive Schedule (5 U.S.C. 5314). Members of the Board who are officers or employees of the United States shall serve without compensation in addition to that received for their services as such officers or employees. Members of the Board shall be reimbursed for travel and subsistence expenses in accordance with subchapter I of chapter 57 of title 5 of the United States Code.

(d) The Board shall direct the exercise of all the powers of the Institute.

(e) The Board may prescribe, amend, and repeal bylaws, rules, and regulations governing the manner in which the business of the Institute may be conducted and in which the powers granted to it by law may be exercised and enjoyed. A majority of the Board shall be required as a quorum.

(f) In furtherance and not in limitation of the powers conferred upon it, the Board may appoint such committees for the carrying out of the work of the Institute as the Board finds to be for the best interests of the Institute, each committee to consist of two or more members of the Board, which committees, together with officers and agents duly authorized by the Board and to the extent provided by the Board, shall have and may exercise the powers of the Board in the management of the business and affairs of the Institute.

SEC. 6. The Institute shall be a nonprofit corporation and shall have no capital stock. No part of its revenue, earnings, or other income or property shall inure to the benefit of its directors, officers, and employees and such revenue, earnings, or other income, or

property shall be used for the carrying out of the corporate purposes set forth in this Act. No director, officer, or employee of the corporation shall in any manner directly or indirectly participate in the deliberation upon or the determination of any question affecting his personal interests or the interests of any corporation, partnership, or oganization in which he is directly or indirectly interested.

SEC. 7. When approved by the Institute, in furtherance of its purpose, the officers and employees of the Institute may accept and hold offices or positions to which no compensation is attached with governments or governmental agencies of foreign countries.

SEC. 8. The Secretary of State shall have authority to detail employees of any agency under his jurisdiction to the Institute under such circumstances and upon such conditions as he may determine. Any such employee so detailed shall not lose any privileges, rights, or seniority as an employee of any such agency by virtue of such detail.

SEC. 9. The principal office of the Institute shall be located in the District of Columbia, but, there may be established agencies branch offices, or other offices in any place or places within the United States or elsewhere in any of which locations the Institute may carry on all or any of its operations and business.

SEC. 10. The Institute, including its franchise and income, shall be exempt from taxation now or hereafter imposed by the United States, or any territory or possession thereof, or by any State, county, municipality, or local taxing authority.

SEC. 11. Of the funds made available to carry out the provisions of Part I of the Foreign Assistance Act of 1961, as amended, not to exceed $50,000,000 shall be available for the fiscal year 1970 to carry out the purposes of this Act and, notwithstanding any other provision of the Foreign Assistance Act of 1961, as amended, funds used for such purposes may be used on a loan or gant basis. For subsequent fiscal years there are authorized to be appropriated such sums, to remain available until expended, as may be necessary from time to time to carry out the purposes of this Act.

SEC. 12. The right to alter, amend, or repeal this Act is hereby expressly reserved.

SEC. 13. The Institute shall be subject to the provisions of the Government Corporation Control Act.

BACKGROUND MEMORANDUM—WHY THE INTER-AMERICAN DEVELOPMENT INSTITUTE?

Social and civic development is a slow, difficult, at times painful process for the developing countries.

It may entail a wholesale change in the basic organization of a society, and the restructing of its human skills and attitudes.

Such changes are not easily achieved. They may require decades, even generations, of continuing effort.

Consequently, programs aimed at the promotion of social and civic change ought to be conceived as long-term undertakings. For maximum effectiveness, they should not have to depend for their sustenance on year-to-year fluctuations in the political climate and the recurring "ups and downs" in relations between sovereign countries.

In many cases, such undertakings can produce best results if they are divorced from the formal structure of inter-governmental relations and are managed by private or semi-private institutions.

This applies, in particular, to the following types of activities:

(a) *Title IX* undertakings aimed at increasing participation in the processes of change, and sharing of the products of development, by each and every man in his society;

(b) *Research and education* in the meaning and means of participation, more equitable income distribution, and key attitudinal barriers to an equitable society;

(c) *Support* of research and pilot efforts to solve the bottlenecks in educational systems, agricultural production and urban development which have denied large segments of the populations of the developing countries the opportunity to join the modern world;

(d) *Technical assistance* in local government, legislatures, legal systems, peasant and urban leadership, cooperatives, credit unions, democratic labor union promotion, adult literacy, civic education, taxation and the formation of private foundations devoted to socio-political progress;

(e) *Family planning* and population control;

(f) *Capital assistance* for small-scale, self-help projects at the community level designed to enhance the income of *Campesinos, barrio* dwellers, and urban workers; and for programs providing support for agrarian reform, education for the masses, community development and others.

AID's involvement in some of these activities has met with serious obstacles. It has aroused political opposition in the developing countries; it has caused problems for U.S. embassies; and it has been only partially successful because of AID's inability to embark on long-range undertakings, to recruit and keep the types of personnel required for staffing them, and to deal with certain private groups in the developing countries.

Moreover, the identification of these activities with the formal U.S. Government presence in the countries concerned has "turned off" some local groups while exposing U.S. embassies to criticism for "meddling" in sensitive internal affairs of other countries.

Witnesses who testified before the Inter-American Affairs Subcommittee during the 1969 hearings, and testimony of a number of experts who appeared earlier before the International Organizations and Movements Subcommittee, favored the creation of a separate agency or foundation to support social and civic development.

The proposed Inter-American Development Institute is intended to serve that purpose.

The Institute could gradually take over some of the politically sensitive activities of AID in Latin America—and do them better.

By having its own identity, a Board of Directors drawn partly from the private sector, multiplicity of sponsors, longer-term assurance of resouces, and greater flexibility in operations, the Institute could operate at a level at which the formal machinery of the U.S. Government cannot, by its very nature, be effective in promoting social and civic change.

The resources of the Institute would come in the first instance, from the U.S. Government. Specifically, $50 million of the funds authorized for Fiscal Year 1970 for economic development assistance under part I of the Foreign Assistance Act would be made available as the initial capital of the Institute. Later appropriations could be made, as necessary, when the Institute gets on its feet and it becomes clear which AID activities it can absorb.

In addition, the Institute would be empowered to accept funds from Latin American governments, from international organizations—for example, the World Bank and the Inter-American Development Bank—and from private sources in the United States in Europe and in Latin America itself.

In conclusion, three points should be borne in mind:

First, that in order to promote the kind of change that the Congress has said is desirable in Latin America, the U.S. Government must operate at two levels: the Government-to-Government level and the Nation-to-Nation (or people-to-people) level. The Institute will provide a useful, flexible instrument for dealing with development problems at that second level.

Second, while the Institute represents a new approach, it does not entail increased foreign aid. It simply provides a more effective instrument for doing some tasks which the United States presently funds through AID and through a number of international organizations. In time, by using private and public funds, and loan repayments, it can become self-sustaining. And—

Third, since 4 out of its 7 directors would be U.S. Government officials concerned with Inter-American relations, the Institute would be unlikely to depart from the major objectives pursued by the United States in Latin America.

CLEAN WATER RESTORATION ACT CONSTRUCTION GRANT PROGRAM

(Mr. DINGELL asked and was given permission to extend his remarks at this point and to include extraneous matter.)

Mr. DINGELL. Mr. Speaker, on July 10, 1969, I placed in the CONGRESSIONAL RECORD—on pages 19102–19121—responses from some 30 State Governors and the Governors of Guam and the Virgin Islands to my earlier request to them for information on the impact of short-funding of the Clean Water Restoration Act of 1966. As I stated at that time, "I am pleased to be able to report that a substantial majority of those who have responded support the efforts of myself and others to secure full funding of the Clean Water Restoration Act construction grant program for fiscal year 1970."

Subsequently, I have received additional responses from the Governors of several States, the Commissioner of the District of Columbia, and the Georgia State Water Quality Control Board. So that my colleagues may have an opportunity to be aware of the views expressed in these letters, I include their texts at this point in the CONGRESSIONAL RECORD:

STATE OF ALASKA,
OFFICE OF THE GOVERNOR,
Juneau, July 1, 1969.

Hon. JOHN D. DINGELL,
House of Representatives,
Rayburn House Office Building,
Washington, D.C.

DEAR MR. DINGELL: Thank you very much for your June 6, 1969, letter inviting me to comment on the implications to Alaska of the shortage of Federal funding of water pollution control programs.

For several years Alaska has made good use of its entire allocation of construction grant funding in the water pollution control program. Particularly, with the implementation this year of our new Water Quality Standards, I anticipate that substantial additional amounts could be used by our local governments for the construction of sewage treatment plants if these funds could be made available.

Best personal regards.

Sincerely yours,

KEITH H. MILLER,
Governor.

THE COMMONWEALTH OF MASSACHUSETTS, WATER RESOURCES COMMISSION,
Boston, July 18, 1969.

Hon. JOHN D. DINGELL,
U.S. House of Representatives, Rayburn House Office Building, Washington, D.C.

DEAR SIR: Massachusetts has adopted a most comprehensive water pollution control law featuring a $150M bond issue authorization with pre-financing capabilities and a strong enforcement program vested in a new

Division of Water Pollution Control under the control of the Water Resources Commission in the Department of Natural Resources. We also have provided two tax inducements for industry and a new and broad authority for control of oil pollution in the waters of the Commonwealth.

Since the inception of this program, grants have been made to communities reflecting about $55M worth of sewage treatment works construction. In recent years the Federal government's contribution to this program has been about $5.3M/year requiring the pre-financing of approximately $11.0M of State monies in anticipation of future Federal reimbursements. This has maintained the integrity of the implementation program adopted by the State up until now but as the larger community projects come due, the program will unquestionably be severely curtailed.

The Federal government has not honored its financial commitments to the State and as such one must question the advisability of continuing to subsidize the Federal share on eligible pollution control projects throughout the State.

The Federal interest in this program can only be confirmed by positive action in overcoming the accumulative Federal appropriation inadequacies and making provisions for a separate authorization to reimburse the states that have utilized their pre-financing capability.

Should alternative methods of financing be the subject of future Federal legislation, it is obligatory on the Congress of the United States to maintain the equitability of alternatives to the present construction grant percentages specified in the Federal Water Pollution Control Act. If a debt service contract approach is necessary, it is extremely important that the interest charges for the Federal share be borne directly by the Federal government.

I appreciate your concern in this matter and am hopeful my comments may be of assistance to you.

Very truly yours,

THOMAS C. MCMAHON,
Director.

STATE OF MINNESOTA,
OFFICE OF THE GOVERNOR,
St. Paul, July 23, 1969.

Hon. JOHN D. DINGELL,
Rayburn House Office Building,
Washington, D.C.

DEAR CONGRESSMAN DINGELL: Thank you for your recent letter requesting information on the impact of the reduced level of Federal funding on water pollution abatement and control in this state.

Applications submitted over the last four fiscal years have been broken down as follows:

TABLE I

Fiscal year	Amount requested	Number of applications	Federal allocation
1970	$15,333,257	43	$3,931,000
1969	15,453,640	61	3,931,000
1968	11,843,586	41	3,728,000
1967	6,896,473	35	2,743,250

TABLE II

Fiscal year	Number of grants certified	Projects that proceeded under reimbursement
1970	[1]29	9
1969	36	14
1968	18	8
1967	10	2

[1] Assumes same level of funding as fiscal year 1969.

As can be readily noted in Table I the grant amount requested greatly exceeds Minnesota's actual or anticipated congressional allocation. Based on discussions with municipal officials or their representatives, we do not expect as many communities to utilize the reimbursement provisions of the Federal Act in FY70 as did in FY69 (see Table II). The main reason for this is the difficulty of arranging the necessary financing for the entire eligible project rather than only 70 or 67 percent as the case may be if a Federal grant were available.

Because of change in Minnesota's FY70 and 69 system for establishing priorities which split the congressional allocation based on population between what is known as the seven county metropolitan area (basically Minneapolis, St. Paul and some fifty suburbs) and the balance of the state, it was possible to certify a substantially greater number of applicants for grants (see Table II). Based on the 1960 Federal census, this results in a respective 45 and 55 percent split of funds between the seven county metropolitan area and the rest of the state. The seven county metropolitan areas has a much lower number of projects, however, substantially higher cost while the reverse situation exists for the remainder of the state.

No community outside of the metropolitan area in FY69 proceeded under the reimbursement provisions, nor do we anticipate that any will in FY70. While many larger communities which have an immediate water pollution control need have indicated their desire and are proceeding to comply with Minnesota's interstate and intrastate water quality standards, some have qualified their statements contingent upon the availability of Federal Aid.

In general, it can be stated that some projects have been delayed because of the lack of Federal assistance and any substantial increase over the funding level of FY69 will greatly assist in water pollution abatement and control.

Minnesota does not have a state grant program. A bill was introduced in the last legislative session but failed to pass. Instead a 1.5 million dollar program to pay the interest on the Federal portion of an eligible project was passed. It is still too early to predict what effect this program will have.

Your effort in securing full or a substantial increase in funding of the act for FY70 will be greatly appreciated.

If you have any questions, or if we can be of further assistance, please let us know.

Sincerely yours,

HAROLD LEVANDER,
Governor.

EXECUTIVE OFFICE,
Jefferson City, Mo., July 10, 1969.

Hon. JOHN D. DINGELL,
Member of Congress,
Rayburn House Office Building,
Washington, D.C.

DEAR CONGRESSMAN DINGELL: This is in reply to your letter of June 6, 1969 concerning the impact on our pollution control program caused by the shortage of federal funds on our water pollution control program.

The funds authorized by the Water Quality Act would have provided sufficient federal funds for matching municipal projects in Missouri. However, the funds appropriated are only a fraction of those authorized. The result has been that construction of abatement works has been materially reduced. The backlog continues to grow, and if we are to make real progress in pollution abatement, federal funds and state funds must be increased.

During Fiscal Year 1969 and in Fiscal Year 1970, the Missouri Legislature has appropriated state funds to match all of the federal funds available to Missouri municipalities. A survey of municipal needs indicates that if the federal funds for Missouri cities were increased from $5 million to $12–15 million per year, and accompanying state grants of $6–7½ million were available, that the backlog could be wiped out in approximately five years.

Sincerely yours,

WARREN E. HEARNES.

STATE OF NEW MEXICO,
OFFICE OF THE GOVERNOR,
Santa Fe, July 3, 1969.

Re funding for water pollution control activities.

Hon. JOHN DINGELL,
Member of Congress,
House of Representatives,
Washington, D.C.

DEAR MR. DINGELL: I sincerely appreciate your letter of June 6, 1969. I can with pride report that the State of New Mexico has 100% of all sewered communities complete with secondary sewage treatment facilities.

In the past several years, the State of New Mexico has not completely utilized its construction grant funds under the P.L. 660 Program. Construction needs in the State are only those necessary to keep up with increased population and industrial growth of the State.

The funding which our State requires is in the administrative and regulatory area. We hope to improve operation of existing facilities by closer supervision. Anything which you can do to permit an increase for water pollution control funds under the State Program Grant Provision of the Federal Water Quality Act would be greatly appreciated and would benefit the State of New Mexico substantially more than an increase in construction grant funds.

Yours in water pollution control.

DAVID F. CARGO,
Governor, State of New Mexico.

STATE OF MONTANA,
OFFICE OF THE GOVERNOR,
Helena, July 18, 1969.

Re your letter of June 6 in which you ask for information relative to the impact which short funding of the Clean Water Restoration Act may have caused the State of Montana in the area of water pollution control and abatement.

Hon. JOHN DINGELL,
House of Representatives, Rayburn House Office Building, Washington, D.C.

DEAR CONGRESSMAN DINGELL: The short funding of this Act has not had a great deal of impact on Montana in the past, but possibly could have in the future.

In explanation, in Montana, all municipalities that were sewered have had treatment plants provided. This program was completed in 1966. The federal allocation of funds to the state has been more than adequate to meet the grant requests on these sources.

When the Water Quality Standards of 1967 were adopted, it was required that secondary treatment be provided for all municipalities and industries. Most municipalities were given until 1972 to upgrade their treatment from primary to secondary. This involved primarily our larger municipalities, approximately twenty of which are involved. In order to meet this need, it is anticipated that during the next three years there will be approximately thirteen million dollars spent on sewage treatment projects in their state.

The last two sessions of the Legislature have seen considerable activity by our larger municipalities endeavoring to have legislation passed authorizing the state's participation in construction grants for sewage treatment works. There were several reasons for the legislation not passing. However, the one that probably had the greatest influence on our Legislature was that the majority of our municipalities already provide secondary treatment of their wastes and these communities apparently question whether they should be responsible for providing funds for those that need additional treatment

when they have already paid for it themselves.

The problem is that by 1972 all municipalities will have to meet the standards set up by the Water Quality Standards of the 1967 Session of the Montana State Legislature. If the state does participate in helping provide funds to pay for secondary sewage treatment, this will mean that the Federal Government's share of funds towards completion of the secondary plants will be greater according to federal standards. The other alternative is if the Legislature did not fund construction grants for secondary treatment plants, many of the municipalities, which are waiting until the 1971 Legislature has met and considered this funding, will be applying for federal money at the same time in order to complete their secondary treatment plants by the deadline of 1972. This would mean a greater influx of requests for federal funds which might result in a shortage of the same.

I trust this is the information which you desired. I will be pleased to supply you with any additional information you may need.

Sincerely yours,

FORREST H. ANDERSON, *Governor.*

STATE OF NEW YORK,
EXECUTIVE CHAMBER,
Albany, July 22, 1969.

DEAR MR. DINGELL: Thank you for your letter concerning Federal funding under the Clean Water Restoration Act.

Municipalities, under the $1 billion New York State Pure Waters Bond Act, are provided a basic State construction grant of thirty percent, and prefinancing of the Federal share up to thirty percent; thus, the State guarantees to the municipality a sixty percent grant of the eligible project cost.

As you are aware, existing Federal legislation currently entitles municipal sewage treatment works projects to either a fifty percent of fifty-five percent Federal construction grant. Due to the short-funding of the Federal program, no project in the State of New York has received its full Federal grant. The national appropriation for Federal program for fiscal year 1969 was only $214 million, with the New York State allocation being only $15.8 million of this appropriation. If the active projects in the State were funded to the 50/55 percent figure, an additional $752 million in Federal grant funds would be required.

The failure of the Federal Government to match existing authorizations with appropriations has slowed our Pure Waters Program. If Federal funds were available, municipalities would be eligible to receive a total construction grant of eighty percent or eighty-five percent of the eligible project cost. This would then limit the local municipal share of the project cost to either twenty percent or fifteen percent; would make it easier for the taxpayers within the municipality to shoulder the fiscal burden; and would encourage the municipality to move ahead with its project to abate water pollution.

Your efforts to secure full funding of the Clean Water Restoration Act for fiscal year 1970 are very much appreciated.

Sincerely,

NELSON A. ROCKEFELLER.

GOVERNMENT OF THE DISTRICT
OF COLUMBIA, EXECUTIVE OFFICE,
Washington, D.C., June 16, 1969.

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

DEAR MR. DINGELL: Thank you for your letter of June 6, 1969, expressing your concern about Federal short-funding and its impact on the District of Columbia's water pollution control program.

We will be happy to provide the information you have requested. However, it will take a few days to get it together, and I will forward it to you as soon as we have it ready.

With best wishes,

Sincerely,

WALTER E. WASHINGTON,
Commissioner.

GOVERNMENT OF THE DISTRICT
OF COLUMBIA, EXECUTIVE OFFICE,
Washington, D.C., July 10, 1969.

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

DEAR MR. DINGELL: This is in further response to your letter of June 6, 1969, expressing your concern about the low-level funding of the federal sewage treatment construction grants program and its impact on the District of Columbia's water pollution control program.

The principal impact of funding below authorized levels has been to upset fiscal planning. The result has been more frequent and increased use of borrowing authority to keep the construction program going. Inasmuch as loan repayments must be made from revenue, that action, in turn, has reflected the need to increase sewer rates. Thus, existing authority to increase rates and to borrow has been reduced in increasing degree. This fact, coupled with an imminent, enlarged construction program of abatement facilities, will necessitate requests to Congress for additional borrowing and rate increase authority. Although the impact on our water pollution control program has not been significant in amount up to this point, since District funding for the expanded program did not begin until F.Y. 1969, nevertheless we are now faced with the necessity of requesting additional funding authority. Our 1970 program is unfunded by approximately $7.8 million, a large portion of which can be attributable to low-level federal funding.

According to Public Law 660, as amended, the District is eligible for grants of 55 per cent to aid with the construction of sewage treatment facilities. In order to meet water quality standards, we will need to upgrade basic treatment facilities over the next five years to remove 90 per cent of organic pollutants at a cost currently estimated at $108 million. The District's eligibility for construction grants on that amount would be $59.4 million. However, full eligibility cannot be realized since the formula in the Act would limit D.C. to $15.8 million even if appropriation of the full authorization were made. Recognizing that the Act expires in F.Y. 1971 and assuming that the present level of appropriation of $214 million will hold, we cannot expect more than $5.2 million on the above construction. Thus, it is obvious that local financing will have to make up the difference, $10.2 million in this case.

In the years ahead the District is faced with extremely large expenditures for waste water treatment. I am advised that it will cost not only the $108 million previously mentioned to upgrade our basic treatment facilities to provide 90 per cent biochemical oxygen demand (BOD) and suspended solids removal from flows expected in 1980, but, following this, additional expenditures of $170 million for advanced waste treatment for the same flows must be contemplated if water quality standards are to be met. Increased sewer service charges and borrowing authority to be requested together with anticipated federal grants will enable us to construct and operate the basic plant only. The method of financing of the advanced waste treatment facilities has yet to be worked out. This should show you the magnitude of our problem.

I hope the above information will be helpful. If I can be of further service, please let me know.

Sincerely yours,

WALTER E. WASHINGTON,
Commissioner.

STATE WATER QUALITY CONTROL BOARD,
Atlanta, Ga., July 18, 1969.

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

DEAR CONGRESSMAN DINGELL: We note from the Congressional Record of July 10, 1969, you wrote the Governors of the States requesting information related to construction grant needs under the provisions of the Clean Water Restoration Act. We have checked with our Governor's office and there is no record of your letter having been received. However, since this matter is so urgent to us, we are taking the liberty of providing you with the information anyway.

The failure of Congress to appropriate the funds authorized in the Act has left the State of Georgia in a very difficult position in obtaining effective water pollution abatement programs from local governments during the past three to four years. The implementation plan and water quality standards adopted by this State and approved by the Department of the Interior in 1967 are becoming less and less a reality.

This State now has seventy-four (74) applications and three (3) requests for supplemental grants pending which are requesting almost $35 million in FY 1970. Based on engineering reports already reviewed by this office, the situation will be worse next year.

By letter dated July 9, 1969, this office was informed by the Southeast Regional Office of F.W.P.C.A. that Georgia would receive $4,589,000 for FY 1970. This, of course, is based on an appropriation of $214 million. You can see that the bulk of the applications will remain in the drawer for another year.

Your interest and concern in this matter are vital. Your assistance in obtaining additional funding will be appreciated by many.

Best regards.

Sincerely,

WARREN O. GRIFFIN,
Assistant to the Executive Secretary.

(For R. S. Howard, Jr., Executive Secretary.)

POSTAL SERVICE

(Mr. OLSEN asked and was given permission to extend his remarks in the body of the RECORD at this point and to include extraneous matter.)

Mr. OLSEN. Mr. Speaker, I wish to call the attention of my colleagues to an article published in This Week magazine on Sunday, July 28, in which the Post Office has been awarded some long overdue praise. The author, Mrs. Yetta Horn Jay, and the publication are to be commended for bucking the trend of the day, which has been unrestrained criticism of the postal operation.

Mrs. Jay shows a complete understanding of the Post Office which most of the critical writers on the subject have not evidenced. In the third paragraph of her article she makes the most effective point on this matter I have seen in newsprint this year when she says:

> But unlike private industry the Post Office must take on all comers; it can't reject or control the growing demands made upon it.

Here Mrs. Jay underlines the fact that the Post Office is by and large an effective public service and she urges her readers to recognize it.

This Week magazine and Mrs. Jay have done the public a great service by publishing this article. We hear entirely too much criticism about a system that does a good job. We have seen the mail volume increase by 45 billion pieces and the population increase by nearly 50 million since the end of World War II: Yet each of us still receives daily, personal, efficient, and expeditious mail service. Somebody must be doing something right down at the Post Office.

The article referred to follows:

YOU ARE RUINING OUR POSTAL SERVICE

(By Yetta Horn Jay)

NOTE.—Mrs. Jay worked for the Post Office, as a mail sorter, at intervals over more than four years. She has received several awards from the Post Office for her suggestions on improving the service.)

America's postal system is headed toward a mammoth breakdown, due not so much to the glut of mail as to the negligence and sloppiness of those who mail it.

True, our mail volume is staggering: every day our Post Office handles more than one piece of mail for every man, woman, and child in our 50 States, moving twice as much mail as all the rest of the world postal systems combined.

But unlike private industry, the Post Office must take on all comers; it can't reject or control the growing demands made upon it. It is confronting this crisis head-on, using modern technology to help speed 83 billion pieces of mail annually, up from 38 billion in 1945. Postmaster General Winton M. Blount is planning a complete structural reorganization so our Post Office will serve us most effectively.

But our mailing habits are failing to keep pace with these changes—they are often inadequate, sloppy, and downright incorrect. Huge corporations and Joe Smiths alike constantly make the same errors. A conservative estimate is that *one out of every two First Class letters mailed today is mailed incorrectly.* Yet when a letter arrives too late or not at all, we shrilly play the national game called "Blame it on the Post Office."

Each of the following cases illustrates at least one major mailing error committed daily by thousands of Americans.

Case I. "Bundling's Great." One of this country's major mailers sent a number of highly important letters clearly marked "Airmail" and "Special Delivery" and correctly metered. Yet all arrived from 24 to 48 hours too late. *Blame it on the Post Office?*

No. The facts are these: Like most large firms, this one bundles its mail into canvas sacks, directly dispatching them to the Post Office. In this case, its mailroom clerks bundled in reverse: they put the Airmail Specials in first, then the regular First Class mail, then finally Third Class advertising matter which filled the sack's top two-thirds. On opening the sacks, the postal worker assumed that it contained all Third Class mail. Since First Class mail is always handled first, some time elapsed before the contents were processed and the error discovered.

Moral: No matter how large or small your mailing, *always bundle the most important letters on top.* Specials are always processed first, followed by Airmail and then First Class mail. Completely separate your First Class mail from other classes. Table workers at the Post Office toss bundled mail into the different bins in split seconds. They judge by the top letter. No one has the time to rifle through bundles.

Case II. "Ounces and Cents." A nonprofit club mailed several hundred routine monthly meeting reminders. The surprised local members got theirs Special Delivery, and the "out-of towners" were Airmailed. *Was the Post Office playing Santa Claus?*

Hardly. A common metered mail snafu occurred. The meter's prior setting had been for 48 cents. Failing to check, the club's mailer ran these reminders through at the same amount. He then threw the letters untied into the mailbox. The loose letters were dispersed into numerous trays worked by various clerks. Where the mailer's intention is not stated and the mailing is small, the Post Office matches service to postage. Had this mailing been bundled, the Post Office would have phoned the mailer to make sure of its intention. A postage refund could have been arranged. Instead, the club lost over $100.

Moral: *Watch your postage.* American mailers, large and small, are losing money by overpaid mail and losing good will by underpaid mail. Underpaid mail is sent directly to the mailee, who pays on receipt. Overpayments occur mostly in metered mail—and more than half of all First Class letters are metered. The meter operator forgets to check the setting or reverses the number. The routine First Class 0.06 zooms to 0.60, or the Airmail 0.10 skyrockets to 1.00.

One of the greatest underpayment culprits is the First Class heavy letter weighing over an ounce. Some senders just naturally put 6 cents on everything. Another culprit is the foreign Airmail letter whose sender forgets that these rates are in *half ounces.*

Case III. "Dead or Alive?" A woman invited her niece, who was visiting a cousin in a nearby city, to visit her. Her niece failed to get the invitation and soon returned to her far-off home. A family feud erupted with the aunt accusing the cousin of withholding the letter. Angrily, the cousin retorted she never saw it. *Letter lost in the Post Office?*

No. The letter was sent from a suburban private home to a big city high-rise apartment house. The aunt sent her letter directly to the niece, whose name differed from the cousin's. She also failed to include her own return address. Marked "Undeliverable," the letter was sent to the Regional Dead Letter office where it was opened for a possible clue to the sender or mailee. (*Note:* this is the *sole* exception to the rule forbidding the Post Office to open First Class mail.) The letter bore no clues, and was destroyed.

Moral: *Never omit your return address.* It's a vital part of your letter, and keeps it "alive." In order for a dead letter to become deliverable these steps are required: (1) letter returned to local Post Office; (2) letter sent to regional Dead Letter office; (3) letter opened; (4) clue searched for; (5) letter readdressed; (6) letter completely reprocessed. And all this for a mere 6 cents an ounce!

Case IV. "Dough Re Mi." A loving grandmother mailed her grandson a gift of money. Eventually he got an envelope marked "Damaged in Handling" containing no money. Wails the grandmother, *"It must've been stolen in the Post Office."*

It wasn't. Grandma sent several dollars in loose coins. Not caught in time, the envelope jammed up the stamp-canceling machine; coins flew in all directions, and her letter plus several others got mangled. A machinist had to repair the disabled canceler, the mangled mail had to be mended, the loose money (which letter did it come from?) wound up at the U.S. Treasury after endless paper work. All told, grandma's letter cost the Post Office considerably more than it contained.

Moral: *Never send loose coins in the mails.* This constant Post Office warning falls on many deaf ears.

Related is another moral: *Mark your slugs.* A slug is a bulky letter. You should print "Hand Stamp" on the front and back of the envelope in large red letters. The table worker will then immediately toss it into the slug bin. Unmarked slugs aren't always readily seen. Our Post Office constantly contends with unmarked mail containing lipsticks and other cosmetics, pens, pencils, calendars, material swatches, combs, bottle caps, razor blades. *Always tie your slugs together* to reduce the number of table-to-bin tosses.

Case V. "Time is Money." A rising firm sent a large national mailing announcing a new merchandise line. All the letters were delivered in A–I condition within 24 to 48 hours. That same day a competing firm in the same city put out a similar mailing, which arrived from one to three days after its rival's, and in poor condition. *Post Office efficient in one case, inefficient in another?*

Hardly. The first firm mailed its properly bundled letters early in the day. All its letters were Zip Coded.

The second firm committed almost every possible error. It sent its loosely tied mail out after 5 P.M. to attract attention, it used outsized envelopes, and these were poorly sealed. To save time and money, this firm used a window-type envelope. But since the letters were sloppily inserted, the last line of each address wasn't visible. Finally, not one letter was Zip Coded.

The first mailing arrived when the Post Office could give it maximum care, the second at a peak period. Harrassed clerks had to tear apart many letters which were glued together; then they had to shake each letter to see the address. Many had to be returned to their sender for better addressing. With no Zip Code, the mailable letters had to be sorted one by one. And the outsized envelopes got bent as the clerks tried to fit them into the pigeon holes.

Morals: *Mail early in the day.* Avoid the avalanche. *Seal your mail right.* Unsealed, partially sealed, and oversealed wet envelopes (which stick together) constantly eat up time and manpower. *Use standard envelopes.* Using today's mass methods and equipment—canceling machines, mail trays, pigeon holes—the Post Office is geared to standard-size mail. Thus undersized mail may get lost, while the outsized get bent and tattered. *Zip it!* No letter is correctly mailed without a Zip Code.

The Zip Code is the most radical change in Post Office history. It's the major solution to our mail deluge and our major hope for speedier delivery.

Zipping means mail will get faster transportation.

The word Zip stands for Zone Improvement Plan which is the extension, on national lines, of the local zoning idea. Each number in the Zip Code is vital. The first digit stands for one of our country's ten major geographical areas. The second and third digits narrow it down to a sectional center. The fourth and fifth digits pinpoint your local Post Office. Thus a Zip Code for Washington, D.C. is 20037; 2 is the specific geographical region, 00 means it's inside Washington, 37 is the local station that delivers the mail.

The Zip Code plus mechanization will bring speedy delivery. Fantastic new machines—handling 36,000 letters an hour—are gradually replacing present outmoded hand-sorting methods. But these machines can work best only with correctly Zip Coded mail. The machines can't read the Zip Code that isn't there, or appears in the wrong place (it should be on the last line, two to six spaces after the state name).

Unless we drastically reform our mailing habits today, we'll find our Post Office in trouble tomorrow—even with mechanization. For as helpful as our new machines are, they can't decipher illegible or incomplete addresses, or look through an envelope to see if its contents are fragile, or separate stuck-together mail, or rescue lost contents.

The solution is simple: let's start helping our Post Office now. We aren't doing all we can when one out of every five First Class letters mailed has no Zip Code, and 30,000,000 letters end up in the Dead Letter Office every

year. Let's weigh, mark, and bundle our mail carefully, correctly, and *early*, to allow the mechanical improvements to speed mail safely.

Let's stop playing "Blame it on the Post Office," and start playing by the rules.

A COMMON FRONTIER

(Mr. MORSE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MORSE. Mr. Speaker, throughout the hours of July 20 and July 21, most of the world watched what is probably one of the most spectacular events in the history of mankind—the lunar landing of the crew of Apollo 11. Scientists from all nations will benefit from the information they bring back with them. The entire world waited with shared anticipation and common hope for their safe return. For one moment in a world of divisiveness, on an earth marked by boundaries, natural and man made, separated into societies which differ by language, culture, race, and customs, and rent by rivalries and mistrust, we have been able to join together to thrill in the realization of a centuries-old dream.

The world beyond our world has for hundreds of years provoked the curiosity and stirred the imagination of men from all walks of life, from all nations, of all beliefs. Symbolically, we have all looked upward as we have joined together in spirit to share the anxiety, the hope and the joy of the Apollo 11 journey.

Although we bring our eyes downward as it returns to earth, we should not let this spirit, and the hope it can hold for the future of all mankind both on this earth and beyond, diminish. I am pleased, therefore, to join my colleague from Massachusetts, HASTINGS KEITH, in calling for steps which will allow and encourage the joint effort of all nations in the future exploration of space frontiers.

Not only will the combined knowledge and capabilities for the technologically advanced nations in a comprehensive space program allow greater progress in facing the problems of space, but the process of sharing the burden as well as the glory of the conquest of space will also create a basis of communication and cooperation which could be applied to the more earthly problems of our world.

The moon was a common goal. It, and the vastness of space beyond, are a common frontier as yet untouched by national rivalries, and we should make every effort to keep it that way. House Concurrent Resolution 305 is a vital and significant step in this direction.

THE COLEBROOK, N.H., NEWSPAPER BACKS SAFEGUARD ABM SYSTEM

(Mr. CLEVELAND asked and was given permission to extend his remarks at this point in the RECORD and to incude extraneous matter.)

Mr. CLEVELAND. Mr. Speaker, my friend, Judge Frederick J. Harrigan of Colebrook publishes the weekly newspaper, the Colebrook News and Sentinel. It is the northernmost newspaper in my district and, therefore, one of the northernmost papers in the country. It reflects the thinking of a broad area. It is published under the motto: "Independent, But Not Neutral," which I personally assure the House is an accurate description.

Publisher Harrigan, in common with all thoughtful citizens, has been wrestling with the troubling ABM issue. His editorial for July 16 states his conclusion. He recognizes the state of international politics for what it is: a balance of terror maintaining the peace, and nuclear terror at that. He feels it is sensible, at the very least, to keep the balance—and the peace—by constructing the Safeguard.

The editorial is well reasoned and well written. I draw it respectfully to the attention of my colleagues in the Congress as a very good indication of what thoughtful persons in the north country are thinking about the ABM decision, which is coming rapidly to a fateful climax.

The article follows:

RELUCTANT "YES" ON ABM

Perhaps by the time this reaches print, the Congress will have decided on the burning question of the A.B.M. "Safeguard" or, as Senator Aiken suggests, some workable compromise will have been reached. Along with just about everybody else (including, undoubtedly, Congressmen and Senators, themselves), we have been much troubled by this particular question.

Finally, trying to think it through as logically as possible, we have reached the conclusion that this limited anti-missile system, designed solely to protect our "second strike" potential, is justified. Justified, that is, if you can justify anything which contemplates the unleashing of forces more than sufficient to cause millions of deaths if not destroy the earth itself.

In fact, right there lies the heart of the dilemma. Bacteriological warfare, strikes with nuclear warheads—it's all terrible. But so is war itself, and where do you draw the line? To us, the parallel keeps occurring that both sides had poison gas during the World War II, but not even the German madmen in their final Gotterdammerung dared to use it. Along the same lines, given the pre-Hiroshima days all over again, one wonders whether our own authorities would ever have fired the first atomic bomb.

Treaties and diplomatic niceties don't seem to mean much any more, and neither does disarmament unless and until we reach that utopian age when not just one power, but all of them, will scrap their arms and forget about national boundaries. That day is far away, and in the meantime we have reluctantly concluded that the A.B.M. system is a necessary adjunct to preserving the nuclear stand-off which is the only thing keeping the big powers from each other's throats right now.

TAX BREAK FOR GI'S IN KOREA

(Mr. WOLFF asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. WOLFF. Mr. Speaker, I am pleased to be able to report to the 205 Members who have sponsored companions to H.R. 9636—to provide hazardous duty tax exemptions for American servicemen in Korea—that a companion bill with a number of cosponsors has been introduced in the other body by the distinguished junior Senator from Hawaii, Mr. INOUYE.

This support in the other body is deeply appreciated, especially by the American servicemen who are constantly facing dangerous assignments in Korea. There can be no questioning of the basic fact that service in Korea is truly dangerous—witness the *Pueblo* and EC–121 incidents, along with the steady pattern of encounters with North Korean violators of the demilitarized zone.

This legislation is consistent with the precedent and would provide our GI's with the same tax advantage enjoyed by their counterparts in Vietnam. Enlisted men's pay and officers' pay up to $500 a month earned in the hostile area would be exempt from Federal taxation.

There is overwhelming support for this measure, as evidenced by the more than 200 Members cosponsoring the House bills. Now, with a companion introduced in the Senate, I respectfully urge the distinguished chairman of the Ways and Means Committee to give this matter his active attention just as soon as the current work on tax reform is completed.

Finally, Mr. Speaker, I want to express my appreciation and the appreciation of the cosponsors of this legislation, to the gentleman from Hawaii, Senator INOUYE, for taking the lead in introducing a similar measure in the other body.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. PETTIS (at the request of Mr. ARENDS), for today, on account of official business.

Mr. CAREY (at the request of Mr. DANIELS of New Jersey), for Monday, July 28, 1969, on account of official business.

Mr. YATES (at the request of Mr. PUCINSKI), for Monday, July 28, 1969, on account of death in family.

Mr. BOW for Tuesday, July 29, 1969, 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. PICKLE, for 30 minutes, on July 29, to revise and extend his remarks and include extraneous matter.

(The following Members (at the request of Mr. GIAIMO), to revise and extend their remarks and include extraneous matter:)

Mr. GONZALEZ, for 10 minutes, today.

Mr. FARBSTEIN, for 20 minutes, today.

(The following Members (at the request of Mr. WHALEN), to revise and extend their remarks and include extraneous matter:)

Mr. STEIGER of Wisconsin, for 15 minutes, today.

Mr. BROCK, for 15 minutes, today.
Mr. HALPERN, for 10 minutes, today.
Mr. CÓRDOVA, for 5 minutes, today.
Mr. BRAY, for 10 minutes, today.
Mr. BRAY, for 10 minutes, on July 29.

EXTENSIONS OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. MICHEL in two instances and to include extraneous material.
Mr. EDMONDSON in two instances.
Mr. MCMILLAN, to extend his remarks in the RECORD prior to the passage of H.R. 9551.
Mr. DOWDY, to extend his remarks in the RECORD prior to the passage of H.R. 6947 and H.R. 9553.
Mr. GUDE, to insert his own remarks and the remarks of Mr. HOGAN, of Maryland, and Mr. BROYHILL, of Virginia, immediately prior to the passage of H.R. 8868.

(The following Members (at the request of Mr. WHALEN) and to include extraneous matter:)

Mr. KEITH in two instances.
Mr. HALPERN.
Mr. FULTON of Pennsylvania in five instances.
Mr. RIEGLE.
Mr. TEAGUE of California.
Mr. MORSE.
Mr. POFF.
Mr. SHRIVER in two instances.
Mr. POLLOCK.
Mr. FOREMAN.
Mr. WYMAN in three instances.
Mr. WYATT.
Mr. SCHWENGEL.
Mr. WATSON.
Mr. CHAMBERLAIN.
Mr. ZWACH.
Mr. SEBELIUS.
Mr. MIZE.
Mr. MCDADE.
Mr. BRAY in three instances.
Mr. STEIGER of Wisconsin.
Mr. COUGHLIN in two instances.
Mr. DERWINSKI.
Mr. ROBISON.

(The following Members (at the request of Mr. GIAIMO) and to include extraneous matter:)

Mr. ROONEY of Pennsylvania in two instances.
Mr. DINGELL.
Mr. CORMAN.
Mr. CONYERS in two instances.
Mr. BARING.
Mr. BROWN of California in two instances.
Mr. MINISH.
Mrs. GRIFFITHS.
Mr. KARTH in two instances.
Mr. PICKLE.
Mr. GONZALEZ in two instances.
Mr. DONOHUE in five instances.
Mr. EILBERG in two instances.
Mr. JACOBS in four instances.
Mr. MIKVA in six instances.
Mr. RODINO.
Mr. WILLIAM D. FORD.
Mr. GALIFIANAKIS in two instances.
Mr. HELSTOSKI.
Mr. ANDERSON of California.
Mr. FASCELL in two instances.
Mrs. GREEN of Oregon in four instances.
Mr. HUNGATE in two instances.
Mr. WOLFF.
Mr. OTTINGER.
Mr. EVINS of Tennessee in two instances.
Mr. ECKHARDT.
Mr. O'HARA in two instances.
Mr. BIAGGI.
Mr. ZABLOCKI in three instances.
Mr. KYROS in two instances.

ADJOURNMENT

Mr. GIAIMO. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 44 minutes p.m.), the House adjourned until tomorrow, Tuesday, July 29, 1969, at 12 o'clock noon.

COMMITTEE EMPLOYEES

JULY 16, 1969.

COMMITTEE ON AGRICULTURE

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1969, to June 30, 1969, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Christine S. Gallagher	Clerk	$12,943.38
William C. Black	General counsel	12,943.38
Hyde H. Murray	Associate counsel	5,752.61
George F. Missibeck	Printing editor	7,498.44
Betty M. Prezioso	Staff assistant	6,921.18
Lydia Vacin	do	6,921.18
Martha S. Hannah	do	6,921.18
Catherine L. Bernhardt	do	6,921.18
Marjorie B. Johnson	do	6,921.18
Louis T. Easley	Staff consultant	10,239.00
Investigative staff:		
John A. Knebel	Assistant counsel	9,157.81
Fred T. Ward	Assistant staff consultant.	5,828.35
Nancy McQueen	Staff assistant	2,692.15
Mildred P. Baxley	do	6,921.18
Doris Lucile Farmarco	do	4,981.38
Mary Perry Shaw	do	4,882.40

Funds authorized or appropriated for committee expenditures	$100,000.00
Amount of expenditures previously reported	0
Amount expended from Jan. 1 to June 30, 1969	33,367.70
Total amount expended from Jan. 1 to June 30, 1969	0
Balance unexpended as of June 30, 1969	66,632.30

W. R. POAGE,
Chairman.

JULY 15, 1969.

COMMITTEE ON APPROPRIATIONS

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1969, to June 30, 1969, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Kenneth Sprankle	Clerk and staff director	$14,194.26
Paul M. Wilson	Assistant clerk and staff director.	14,194.26
Jay B. Howe	Staff Assistant	14,100.50
Robert L. Michaels	do	14,100.50
Robert M. Moyer	do	14,100.50
Ross P. Pope	do	14,100.50
Frank Sanders	do	3,033.33
G. Homer Skarin	do	14,100.50
Eugene B. Wilhelm	do	14,100.50
Hunter L. Spillan	do	13,346.04
Aubrey A. Gunnels	do	13,137.78
Samuel R. Preston	do	12,972.67
Henry A. Neil	do	4,233.28
Francis G. Merrill	do	12,489.82
Keith F. Mainland	do	12,030.82
George E. Evans	do	11,674.82
Earl C. Silsby	do	11,674.82
Carl W. Schafer	do	8,630.15
Peter J. Murphy	do	10,900.02
John M. Garrity	do	9,326.09
Robert Foster	do	2,420.20
Milton B. Meredith	do	7,776.96
George A. Urian	do	6,930.75
Dempsey B. Mizelle	do	6,690.90
Robert C. Nicholas	do	6,488.19
Thomas Kingfield	do	6,488.19
Donald E. Richbourg	do	6,194.64
Gary C. Michalak	do	4,372.02
Samuel W. Crosby	Special assistant	14,100.50
Lawrence C. Miller	Editor	10,054.61
Paul V. Farmer	Assistant editor	6,786.80
Howard E. Knox	Administrative assistant.	2,780.45
Austin G. Smith	Clerical assistant	5,592.83
Francis W. Sady	Administrative assistant.	5,386.11
Naomi A. Rich	Clerical assistant	5,150.76
Gerard J. Chouinard	do	5,073.04
Dale M. Shulaw	do	4,264.74
Daniel V. Gun Shows	do	3,327.84
Randolph Thomas	Messenger	4,241.43
Robert C. Gresham	Clerk to minority	13,939.86
Enid Morrison	Staff assistant to minority.	7,776.96
Patrick M. Hayes	Clerk-stenographer	5,433.18
Mary L. Moore	do	4,195.62
William J. Neary	do	5,433.18
Mary H. Smallwood	do	5,433.18
Catherine M. Voytko	do	5,433.18
Lorraine G. Inman	do	4,527.65
John F. Walsh	do	5,433.18
T. Robert Garretson	do	5,433.18
Margarita V. Turner	do	1,750.69
Joan A. Corbett	do	905.53
Jennifer J. Neilson	do	2,272.29
Ray Lawrence Oden	do	452.72
Arlene G. Genther	do	3,622.12
Peggy C. Cooke	do	5,433.18
Jimmy Ray Fairchild	do	5,433.18
Judith H. Quattlebaum	do	905.53
Patricia Hutchinson	do	5,433.18
Neta C. Messersmith	do	5,433.18
John A. Lindley	do	3,670.55
Winifred A. Pizzano	do	5,433.18
William T. Reece	do	5,094.30
Michael A. Forgash	do	2,716.59
Adrienne Buel	do	4,348.68
Katherine D. Coupe	do	5,433.18
Barbara B. Blum	do	4,527.65
David H. Kehl	do	4,504.10
Mary Ann Bond	do	2,936.44
Elizabeth Smith	do	1,697.01
Mike Crew	do	905.53

Amount of expenditures previously reported	$458,760.26
Amount expended from Jan. 1, to June 30, 1969	486,510.10
Total amount expended from July 1, 1968 to June 30, 1969	945,270.36

GEORGE MAHON,
Chairman.

JULY 15, 1969.

COMMITTEE ON APPROPRIATIONS

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1969, to June 30, 1969, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Robert G. Kunkel	Director, Surveys and Investigations Staff (to April 30, 1969).	$8,358.52
Paul J. Mohr	Director, Surveys and Investigations Staff.	11,363.16
Cornelius R. Anderson	Assistant Director, Surveys and Investigations Staff.	11,232.84
Leroy R. Kirkpatrick	do	3,744.28
Lillian M. Mackie	Stenographer	6,026.06
Mary Alice Sauer	do	5,698.40
Agriculture, Department of:		
Canada, T. C	Investigator	6,414.30
Robison, J. F	do	9,629.75
Werkman, K. S	do	3,912.01
Air Force, Department of: Hayes, J. J., Jr	do	3,770.95
Army Audit Agency: Boone, M. V	do	12,600.35
Civil Service Commission: Beane, J. C	do	3,617.81
Export-Import Bank: McNair, K. D	Editorial assistant	2,528.43
Federal Bureau of Investigation:		
Bennett, C. L	Investigator	10,206.48
Brummitt, D. A	do	9,257.04
Currall, W. G	do	9,969.12
Davis, W. L	do	7,568.16
Franklin, R. M	do	9,731.76
Funkhouser, P. K	do	7,595.52
Goedtel, J. G	do	9,731.76
Groover, L. C., Jr	do	7,801.92
Hanson, J. F	do	9,770.40
Keblusek, E. R	do	9,279.12
Kirkpatrick, L. R	do	7,060.32
Law, W. C	do	1,648.08
Linnert, F. C	do	1,693.44
McGahey, H. B	do	9,891.84
Magee, E. H	do	4,826.32
Michalski, J. E	do	9,731.76
Nolan, J. E., Jr	do	1,354.24
Scully, J. E	do	9,731.76
Shannon, A. J	do	10,206.48
Szoka, C. E	do	8,832.00
Walter, D. E	do	980.72
Welch, W. H., Jr	do	10,443.84
West, S. W	do	7,393.12
Wood, H. B	do	10,206.48
Wultich, N	do	980.72
Health benefits		1,024.48
Life insurance fund		674.68
Retirement fund		10,615.20
Federal Highway Administration: Marikle, H. J.	do	9,758.64
General Services Administration: Fishburn, R. T.	do	988.45
H. E. W., Department of: Read, M. J.	do	13,604.78
HUD, Department of: Messenger, P. H.	Editorial assistant	107.52
National Aeronautics and Space Administration: Carey, B. F.	Investigator	11,430.54
State, Department of: Hammond, N.	do	8,226.09
Veterans Administration:		
Austin, W. C	do	11,445.49
Casteel, R. T	do	5,057.72
Travel expenses		63,389.36
Miscellaneous expenses		291.67

Funds authorized or appropriated for committee expenditures	$890,000.00
Amount of expenditures previously reported	367,353.05
Amount expended from January 1, 1969 to June 30, 1969	411,403.88
Total amount expended from July 1, 1968 to June 30, 1969	778,756.93
Balance unexpended as of June 30, 1969	111,243.07

GEORGE MAHON,
Chairman.

JULY 7, 1969.

COMMITTEE ON ARMED SERVICES

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1969, to June 30, 1969, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
John R. Blandford	Chief counsel	$14,746.30
Frank M. Slatinshek	Assistant chief counsel	14,667.46
Earl J. Morgan	Professional staff member.	14,534.54
William H. Cook	Counsel	14,534.54
Ralph Marshall	Professional staff member.	11,719.92
John J. Ford	do	11,719.92
George Norris	Counsel	11,253.18
James F. Shumate, Jr	Counsel (from Jan. 15)	9,916.78
Mary Jo Sottile	Counsel	7,505.40
Oneta L. Stockstill	Executive secretary	9,061.62
Berniece Kalinowski	Secretary	7,373.10
L. Louise Ellis	do	7,373.10
Edna E. Johnson	do	7,373.10
Dorothy R. Britton	do	7,373.10
Doris L. Scott	do	7,373.10
Innis E. McDonald	do	5,532.18
Ann R. Willett	do	4,600.50
Donna Carleen Poole	Secretary (from Jan. 3).	4,452.55
Brenda J. Graves	Secretary	4,127.19
Constance E. Hobart	do	4,015.17
Emma A. Brown	Secretary (from Mar. 1).	2,670.60
James A. Deakins	Clerical staff assistant	5,574.90
Issiah Hardy	Messenger	3,958.19

Staff, Armed Forces Investigating Subcommittee (from Jan. 3, 1969) (Pursuant to H. Res. 105 and 106, 91st Congress)

John T. M. Reddan	Counsel	$14,245.34
Richard A. Ransom	Professional staff member.	9,986.33
Labre R. Garcia	Assistant counsel (to Jan. 26).	1,562.65
John F. Lally	Assistant counsel (from June 23).	477.92
Albert Rhett Simonds	Professional staff member (from Apr. 1).	2,002.95
Phyllis M. Seymour	Secretary	7,291.17
Rose C. Beck	do	4,926.03
Adeline Tolerton	Clerk	4,438.72
Joyce C. Bova	Secretary (from Mar. 17).	2,225.32
William B. Short	Clerical staff assistant.	5,984.89
Sanford T. Saunders	Security officer	5,470.04
Kenneth W. Thompkins	Messenger (from June 10).	229.12

Funds authorized or appropriated for committee expenditures, H. Res. 106	$175,000.00
Amount of expenditures previously reported	0
Amount expended from Jan. 3–June 30, 1969	59,963.41
Total amount expended from Jan. 3–June 30, 1969	59,963.41
Balance unexpended as of July 1, 1969	115,036.59

L. MENDEL RIVERS,
Chairman.

JULY 15, 1969.

COMMITTEE ON BANKING AND CURRENCY

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 3, 1969, to June 30, 1969, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Standing committee staff:		
Paul Nelson	Clerk and staff director	$14,746.30
Orman S. Fink	Minority professional staff member.	14,746.30
Charles B. Holstein	Professional staff member.	$14,081.78
Curtis A. Prins	Chief investigator	12,825.36
Benet D. Gellman	Counsel	13,463.61
Joseph C. Lewis	Professional staff member.	14,191.28
Mary W. Layton	Secretary to minority	8,370.30
Donald G. Vaughn	Assistant clerk	7,088.58
Jane M. Deem	Administrative assistant.	2,790.10
Daniel James Edwards	Chief economist	1,836.26
Total		104,139.87
Investigative staff (H. Res. 271):		
Jeanne Abrams	Secretary	4,245.06
Linda M. Barnes	do	4,217.35
L. Marie Chaillet	do	1,246.28
Mollie D. Cohen	Professional staff member.	6,864.88
Richard D. Cook	Minority staff investigator.	14,424.62
Lucien B. Crosland	Research assistant	1,402.07
Jane N. D'Arista	do	2,931.54
Diane DiPiero	Assistant clerk	3,961.39
James F. Doherty	Counsel	13,005.51
Dolores K. Dougherty	Assistant clerk	6,559.59
Linda Hechtman	do	2,300.25
Laurance G. Henderson	Professional staff member.	5,039.83
Helen Hitz	Assistant clerk	7,002.58
Linda Leah Hoff	Secretary	3,947.56
Joseph J. Jasinski	Professional staff member.	10,749.59
Mary-Helen Kesecker	Secretary	792.69
Mary E. Kirk	Assistant clerk	3,947.56
Mildred S. Mitchell	do	7,373.83
Margaret L. Rayhawk	Secretary	6,034.20
Alicia F. Shoemaker	Minority staff secretary	8,053.01
Elizabeth Stabler	Professional staff member.	9,147.42
Peter D. H. Stockton	do	4,625.10
Robert E. Torrance	Assistant clerk	3,331.05
Total		131,202.96

Funds authorized or appropriated for committee expenditures, H. Res. 271	$442,500.00
Amount of expenditures previously reported	
Amount expended from Jan. 3, to June 30, 1969	146,575.05
Total amount expended from Jan. 3 to June 30, 1969	146,575.05
Balance unexpended as of June 30, 1969	295,924.95

WRIGHT PATMAN,
Chairman.

JULY 15, 1969.

COMMITTEE ON BANKING AND CURRENCY,
HOUSING SUBCOMMITTEE

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 3, 1969, to June 30, 1969, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Anita F. Allison	Secretary	$5,675.00
Terrence Boyle	Minority research assistant.	2,587.35
Kenneth W. Burrows	Staff director	14,511.70
Michael T. Corbett	Assistant Clerk	4,031.29
Patricia A. Elsey	do	3,609.96
David Glick	Counsel	12,663.63
George Gross	do	5,101.04
Casey Ireland	Minority staff member	14,521.38
Barbara C. Kling	Minority secretary	4,162.05
Margaret J. Leary	Secretary	7,373.83
Gerald R. McMurray	Research associate	8,078.64
Margaret Seeley	Minority research assistant.	1,826.10

Name of employee	Profession	Total gross salary during 6-month period
Ellen Stamper	Secretary	$3,527.66
Doris M. Young	Assistant clerk	6,062.38
Total		93,732.01

Funds authorized or appropriated for committee expenditures, H. Res. 272	$250,000.00
Amount of expenditures previously reported	
Amount expended from Jan. 30 to June 6, 1969	98,339.69
Total amount expended from Jan. 3 to June 30, 1969	98,339.69
Balance unexpended as of June 30, 1969	151,660.31

WRIGHT PATMAN,
Chairman.

JULY 15, 1969.

COMMITTEE ON THE DISTRICT OF COLUMBIA

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1969, to July 1, 1969, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Hayden S. Garber	Counsel	$12,558.36
Clayton D. Gasque	Staff director	9,834.96
Donald J. Tubridy	Minority clerk	9,315.18
Leonard O. Hilder	Investigator	8,794.98
James T. Clark	Clerk	14,081.33
Othello Steinkuller	Secretary	6,782.62
Betty C. Alexander	do	6,045.75
Peggy L. Thornton	do	5,778.45
Sara Anna Watson	Assistant counsel	6,429.48
Leslie S. Ariail	Stenographer	4,264.74
Camile G. Butler	Secretary	3,726.72
Susan E. Spitler	Stenographer	2,950.87
Victor Christgau	Investigator	6,615.24
Tempoary (January and June).	Clerk-typist, stenographer.	1,275.75
Total		98,454.43

Funds authorized or appropriated for committee expenditures	$100,000.00
Amount of expenditures previously reported	None
Amount expended from Jan. 1, to July 1, 1969	13,964.72
Total amount expended from Jan. 1 to July 1, 1969	13,964.72
Balance unexpended as of July 1, 1969	86,035.28

JOHN L. McMILLAN,
Chairman.

COMMITTEE ON EDUCATION AND LABOR—STANDING COMMITTEE

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1969, to July 1, 1969, inclusive, gether with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Robert E. McCord	Chief clerk and senior specialist (from Jan. 1 to June 30, 1969).	$14,746.31
Hartwell Duvall Reed, Jr.	General counsel (from Jan. 1 to June 30, 1969).	$14.746,31
William F. Gaul	Associate general counsel (from Jan. 1 to June 30, 1969).	14,746.31 14,746.31
Louise Maxienne Dargans	Research director (from Jan. 1 to June 30, 1969).	14,746.31
Benjamin F. Reeves	Editor of committee publications (from Jan. 1 to June 30, 1969).	14,340.28
Marian R. Wyman	Special assistant to chairman (from Jan. 1 to June 30, 1969).	10,958.90
Austin P. Sullivan, Jr.	Legislative specialist (from Jan. 1 to June 30, 1969).	9,187.22
Louise M. Wright	Administrative assistant to chief clerk (from Jan. 1 to June 30, 1969).	8,676.54
Minority: Michael J. Bernstein	Minority counsel for education and labor (from Jan. 1 to June 30, 1969).	14,746.31
Charles W. Radcliffe	Minority counsel for education (from Jan. 1 to June 30, 1969).	14,746.31

Funds authorized or appropriated for committee expenditures	Contingent fund
Amount of expenditures previously reported	None
Amount expended from Jan. 1 to June 30, 1969	$131,640.80
Total amount expended from Jan. 1 to June 30, 1969	131,640.80
Balance unexpended as of June 30, 1969	Contingent fund

CARL D. PERKINS,
Chairman.

JULY 15, 1969.

COMMITTEE ON EDUCATION AND LABOR

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 3, 1969, to June 30, 1969, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Jeannine M. Anderson	Secretary (Jan. 3 to June 30, 1969).	$3,982.15
Donald M. Baker	Associate counsel (Labor) (May 5 to June 30, 1969).	4,703.84
Goldie A. Baldwin	Legislative assistant (Jan. 3 to June 30, 1969).	5,282.03
Donald F. Berens	Administrative assistant (Jan. 3 to June 30, 1969).	8,170.83
William H. Cable	Junior researcher (Jan. 3 to June 30, 1969).	2,870.37
Lelia T. Cornwell (Troup)	Administrative assistant (Jan. 3 to June 30, 1969).	5,073.39
Eydie Gaskins	do	5,072.64
Arlene Horowitz	Assistant clerk (Jan. 3 to Feb. 28, 1969).	1,064.59
Janet R. Inscore	Secretary (Jan. 3 to June 30, 1969).	3,539.92
Richard G. Lim	Junior researcher (Jan. 3 to June 30, 1969).	2,667.62
Shirley R. Mills	Secretary (Jan. 3 to June 30, 1969).	5,639.75
David E. Pinkard	Assistant clerk (June 16 to June 30, 1969).	175.08
Ruth A. Ruttenberg	do	175.08
Mary L. Shuler	Secretary (Jan. 3 to June 30, 1969).	5,072.64
Jeanne E. Thomson	Legislative assistant (Jan. 3 to June 30,	$7,422.00
John E. Warren	Junior researcher (Jan. 3 to June 30, 1969).	3,493.43
Robert C. Andringa	Minority professional staff assistant (June 30, 1969).	47.25
Rohn R. Buckley	Chief investigator (Jan. 3 to June 30, 1969).	11,375.62
Glenda D. Campbell	Secretary (June 16 to June 30, 1969).	217.52
Sue Ann Clark	Clerical assistant (Jan. 3 to June 30, 1969).	2,979.01
Robert L. Durst, Jr.	Clerical assistant (Feb. 28 to June 30, 1969).	2,737.37
Louise W. Finke	Secretary (Jan. 3 to June 30, 1969).	5,541.14
Mary Jane Fiske	Research analyst (Jan. 3 to June 30, 1969).	6,498.85
Thaddeaus A. Garrett, Jr.	Clerical assistant (June 1 to June 30, 1969).	550.65
Crawford C. Heerlein	Minority clerk (Jan. 3 to June 30, 1969).	10,125.23
Will Henderson	Assistant clerk (Jan. 3 to June 30, 1969).	3,774.43
Thomas W. Johnson	Clerical assistant (June 1 to June 30, 1969).	400.62
Peter Kobrak	Clerical assistant (Jan. 3 to Jan. 31, 1969).	395.85
Anita Kreke	Secretary (Jan. 3 to June 30, 1969).	3,989.10
Martin L. LaVor	Research consultant (Jan. 3, to June 30, 1969).	8,575.09
Dorothy I. Livingston	Secretary (Jan. 3 to June 30, 1969).	3,493.43
Ruth G. Macknet	do	5,822.51
James S. Nathanson	Research assistant (June 1 to June 30, 1969).	550.65
David E. Nelson	Research assistant (June 1 to June 30, 1969).	550.65
Stephanie A. Pedler	Clerical assistant (June 16 to June 30, 1969).	45.98
Warren Phillips Rockefeller.	Research specialist (Jan. 3 to Mar. 31, 1969).	3,539.94
Walter J. Sears, III	Clerical assistant (June 1 to June 30, 1969).	550.65
Mary Ann Wagosh	Secretary (Apr. 21 to June 30, 1969).	1,325.29

Funds authorized or appropriated for committee expenditures	$409,600.00
Amount of expenditures previously reported	
Amount expended from Jan. 3 to June 30, 1969	143,902.24
Total amount expended from Jan. 3 to June 30, 1969	143,902.24
Balance unexpended as of June 30, 1969	265,697.76

CARL D. PERKINS,
Chairman.

JULY 15, 1969.

SPECIAL SUBCOMMITTEE ON EDUCATION, NO. 1

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 3, 1969, to June 30, 1969, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Virginia C. Ashby	Secretary (from Jan. 10 to June 30, 1969.)	$3,566.72
Harry J. Hogan	Counsel (from Jan. 3 to June 30, 1969.)	8,410.56

Name of employee	Profession	Total gross salary during 6-month period
Sally K. Kirkgasler	Research assistant (from Jan. 16 to June 30, 1969.)	$3,696.72
Terry Eileen Shupp	Assistant clerk (from Apr. 1 to June 30, 1969.)	713.22
Marilyn Rae Stapleton	Staff assistant (from Jan. 3 to June 30, 1969.)	6,196.59

Funds authorized or appropriated for committee expenditures	$60,000.00
Amount of expenditures previously reported	None
Amount expended from Jan. 3, 1969 to June 30, 1969	23,258.58
Total amount expended from Jan. 3, 1969 to June 30, 1969	23,258.58
Balance unexpended as of June 30, 1969	36,741.42

CARL D. PERKINS, Chairman.

JULY 15, 1969.

SPECIAL SUBCOMMITTEE ON LABOR, NO. 2

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 3, 1969, to June 30, 1969, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Jeunesse M. Beaumont	Clerk (from Jan. 3 to June 30, 1969).	$4,829.59
Carol Linda Berkelhammer.	Assistant clerk (from Jan. 3 to May 19, 1969).	464.29
William Clarkson Dell, Jr.	Assistant clerk (from June 1 to June 30, 1969).	500.94
Carl Elliott	Consulting counsel (from Jan. 3 to Jan. 31, 1969).	93.76
Rogers Clark Martindell	Assistant clerk (from June 1 to June 30, 1969).	251.18
Daniel H. Pollitt	Special counsel (from Feb. 1 to June 30, 1969).	2,805.25
Anne Williamson Risdon	Assistant clerk (from June 16 to June 30, 1969).	130.47
George R. Steffener	Assistant clerk (from Jan. 3 to June 30, 1969).	846.94
Peter W. Tredick	Counsel (from Jan. 3 to June 30, 1969).	11,318.51

Funds authorized or appropriated for committee expenditures	$60,000.00
Amount of expenditures previously reported	None
Amount expended from Jan. 3 to June 30, 1969	22,160.57
Total amount expended from Jan. 3 to June 30, 1969	22,160.57
Balance unexpended as of June 30, 1969	37,839.43

CARL D. PERKINS, Chairman.

JULY 15, 1969.

GENERAL SUBCOMMITTEE ON LABOR, NO. 3

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 3, 1969, to June 30, 1969, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Thomas J. Hart	Assistant clerk (from Feb. 1 to May 31, 1969).	$1,919.44
Adrienne Fields	Clerk (from Jan. 3 to June 30, 1969).	5,898.02
Robert E. Vagley	Director (from Jan. 3 to June 30, 1969).	11,524.62

Funds authorized or appropriated for committee expenditures	$60,000.00
Amount of expenditures previously reported	None
Amount expended from Jan. 3 to June 30, 1969	21,768.48
Total amount expended from Jan. 3 to June 30, 1969	21,768.48
Balance unexpended as of June 30, 1969	38,231.52

CARL D. PERKINS, Chairman.

JULY 15, 1969.

GENERAL SUBCOMMITTEE ON EDUCATION, NO. 4

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 3, 1969, to June 30, 1969, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Cynthia A. Crites	Staff director (from Apr. 1 to June 30, 1969).	$4,001.16
Thomas J. Gerber	Assistant (from Jan. 3, to June 30, 1969).	3,947.56
John F. Jennings	Counsel (from Jan. 3 to June 30, 1969).	9,895.08
Alexandra J. Kisla	Clerk (from Jan. 3 to June 30, 1969).	4,213.24
Jeff M. Schecter	Research assistant (from June 15 to June 30, 1969).	213.66

Funds authorized or appropriated for committee expenditures	$60,000.00
Amount of expenditures previously reported	None
Amount expended from Jan. 3 to June 30, 1969	22,683.54
Total amount expended from Jan. 3 to June 30, 1969	22,683.54
Balance unexpended as of June 30, 1969	37,316.46

CARL D. PERKINS, Chairman.

JULY 15, 1969.

SELECT SUBCOMMITTEE ON LABOR, NO. 5

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 3, 1969, to June 30, 1969, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Loretta A. Bowen	Secretary (Jan. 3 to June 30, 1969).	$5,548.20
Marcia Sue Gencher	Research assistant (Apr. 1 to June 30, 1969).	$2,251.29
Daniel H. Krivit	Counsel (Jan. 3 to June 30, 1969).	10,125.23

Funds authorized or appropriated for committee expenditures	$60,000.00
Amount of expenditures previously reported	
Amount expended from Jan. 3, 1969 to June 30, 1969	18,071.23
Total amount expended from Jan. 3, 1969 to 30, 1969.	18,071.23
Balance unexpended as of June 30, 1969	41,928.77

CARL D. PERKINS, Chairman.

JULY 15, 1969.

SELECT SUBCOMMITTEE ON EDUCATION, NO. 6

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 3, 1969, to June 30, 1969, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Noel W. Beyle	Associate director (from May 26 to June 30, 1969).	$1,167.12
Jack G. Duncan	Counsel (from May 12 to June 30, 1969).	2,315.27
Joan FitzGerald	Research clerk (from Feb. 1 to Feb. 28, 1969).	602.64
Mary K. Gillespie	Staff assistant (from June 16 to June 30, 1969).	95.21
James B. Harrison	Director (from Jan. 3 to May 16, 1969).	8,362.22
Arlene Horowitz	Assistant clerk (from Mar. 1 to June 30, 1969).	2,202.60
Nancy A. Neilen	Clerk (from Jan. 3 to June 30, 1969).	3,315.19
Evelina P. Thompson	Assistant clerk (from May 15 to June 30, 1969).	450.69
Nancy J. Tyler	Special assistant (from Jan. 3 to June 30, 1969).	1,743.98

Funds authorized or appropriated for committee expenditures	$60,000.00
Amount of expenditures previously reported	None
Amount expended from Jan. 3, 1969 to June 30, 1969	20,548.75
Total amount expended from Jan. 3, 1969 to June 30, 1969	20,548.75
Balance unexpended as of June 30, 1969	39,451.25

CARL D. PERKINS, Chairman.

JULY 15, 1969.

COMMITTEE ON FOREIGN AFFAIRS

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1969, to June 30, 1969, inclusive,

together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Boyd Crawford	Staff administrator	$14,746.31
Roy J. Bullock	Senior staff consultant	14,746.31
Albert C. F. Westphal	Staff consultant	14,746.31
Franklin J. Schupp	do	14,335.14
Harry C. Cromer	do	14,194.26
Philip B. Billings	do	10,900.02
Marian A. Czarnecki	do	14,194.26
Melvin O. Benson	do	12,030.66
Everett E. Bierman	do	10,255.47
John J. Brady, Jr	do	8,690.94
John H. Sullivan	do	8,690.94
Robert J. Bowen	Clerical assistant	5,539.32
June Nigh	Senior staff assistant	10,639.62
Helen C. Mattas	Staff assistant	9,465.90
Helen L. Hashagen	do	8,697.48
Louise O'Brien	do	8,447.28
Mary M. Lalos	Staff assistant (resigned May 24, 1969).	4,562.50
Dora B. McCracken	Staff assistant	6,978.72
Jean E. Smith	do	5,182.56
Mary Burns	Staff assistant (resigned Mar. 31, 1969).	3,969.39
Nancy C. Peden	Staff assistant (effective Apr. 14, 1969).	2,146.02
Paula L. Peak	Staff assistant (effective May 1, 1969).	2,218.30

Funds authorized or appropriated for committee expenditures	$200,000
Amount of expenditures previously reported	
Amount expended from Jan. 1, 1969 to June 30, 1969	62,553
Balance unexpended as of June 30, 1969	137,447

THOMAS E. MORGAN,
Chairman.

JULY 11, 1969.

COMMITTEE ON GOVERNMENT OPERATIONS

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 3, 1969, to June 30, 1969, inclusive, together with total funds authorized or appropriated and expended by it:

EXPENSES, JAN. 3 TO JUNE 30, 1969

Full Committee	$27,427.20
Military Operations Subcommittee	50,459.10
Government Activities Subcommittee	32,964.00
Intergovernmental Relations Subcommittee	51,666.41
Executive and Legislative Reorganization Subcommittee	29,038.78
Foreign Operations and Government Information Subcommittee	51,872.87
Legal and Monetary Affairs Subcommittee	33,207.81
Conservation and Natural Resources Subcommittee	54,264.05
Special Studies Subcommittee	47,411.31
Total	378,311.53

Name of employee	Profession	Total gross salary during 6-month period
Salaries, full committee, Jan. 1 to June 30, 1969:		
Christine Ray Davis	Staff director	$14,746.31
James A. Lanigan	General counsel	14,746.31
Miles Q. Romney	Associate general counsel.	12,957.30
Lawrence P. Redmond	Professional staff member (Apr. 1 to June 30, 1969).	4,387.74
Dolores L. Fel'Dotto	Staff member	7,081.26
Ann E. McLachlan	do	6,863.58
Charlotte C. Bickett	do	6,316.62
Gene P. Spory	do	6,266.22
Mabel C. Baker	Staff member (transferred to special investigative staff on Apr. 1, 1969).	3,043.89
John Philip Carlson	Minority counsel	13,851.81
William H. Copenhaver	Minority staff member	10,713.42
Full committee, special investigative staff, Hon. William L. Dawson, chairman:		
William P. Russell	Minority staff member (Feb. 1 to June 30).	$5,001.95
Clara Katherine Armstrong.	Minority research assistant.	6,246.43
Catherine S. Cash	Secretary	5,562.26
Mabel C. Baker	Staff member (transferred from full committee Apr. 1, 1969).	2,093.91
John L. Dodson	Clerical staff	4,106.70
Annie M. Abbott	Secretary (Apr. 1 to June 30).	2,798.13
John W. McGarry	Professional staff member (May 1 to June 30).	183.90
Expenses		1,433.92
Total		27,427.20
Military Operations Subcommittee, Hon. Chet Holifield, chairman:		
Herbert Roback	Staff administrator	14,590.75
Douglas G. Dahlin	Staff attorney	8,905.78
John Paul Ridgely	Investigator	8,328.09
Joseph C. Luman	Defense analyst	6,953.94
Catherine L. Koeberlein	Research assistant	5,956.71
Mollie Jo Hughes	Clerk-stenographer	5,562.26
Expenses		161.57
Total		50,459.10
Government Activities Subcommittee, Hon. Jack Brooks, Chairman:		
Ernest C. Baynard	Staff administrator	12,418.82
C. Don Stephens	Research analyst	6,337.89
Irma Reel	Clerk	5,562.26
Lynne Higginbotham	Clerk-stenographer	5,562.26
Druenette Lord Fleischmann.	Secretary (Mar. 5 to June 30).	1,549.06
E. S. Johnny Walker	Investigator (Jan. 3 to Mar. 4).	1,240.68
Expenses		293.03
Total		32,964.00
Intergovernmental Relations Subcommittee, Hon. L. H. Fountain, Chairman:		
James R. Naughton	Counsel	12,418.82
Delphis C. Goldberg	Professional staff member.	12,418.82
William Donald Gray	Research analyst	8,594.37
Bebe B. Terry	Clerk-stenographer	5,233.20
Dr. Robert S. McCleery	Consultant	8,535.64
Maureen A. Sheridan	Clerk-stenographer (May 16 to June 30).	1,066.19
Lexine Rollins	Clerk-stenographer (Jan. 3 to Apr. 30).	2,960.86
Expenses		438.51
Total		51,666.41
Executive and Legislative Reorganization Subcommittee, Hon. John A. Blatnik, Chairman:		
Elmer W. Henderson	Counsel	12,971.22
I. Warren Harrison	Legal assistant	7,167.23
Veronica B. Johnson	Clerk	6,246.43
Maryann Conway	Clerk (Mar. 17 to June 30).	2,601.49
Expenses		52.41
Total		29,038.78
Foreign Operations and Government Information Subcommittee, Hon. John E. Moss, chairman:		
Vincent J. Augliere	Staff administrator	12,418.82
Norman G. Cornish	Professional staff member.	12,418.82
Jack Matteson	do	11,188.31
James L. Nelligan	do	9,960.23
Elizabeth Jayne Bodecker.	Secretary	5,562.26
Expenses		324.43
Total		51,872.87
Legal and Monetary Affairs Subcommittee, Hon. Dante B. Fascell, chairman:		
M. Joseph Matan	Counsel	12,418.82
Charles A. Intriago	Assistant counsel	6,336.42
Stuart E. Bossom	Legal assistant	5,924.10
Millicent Y. Myers	Clerk	5,562.26
Shirley A. Sisson	Stenographer (Feb. 24 to June 30).	2,826.39
Expenses		139.82
Total		33,207.81
Conservation and Natural Resources Subcommittee, Hon. Henry S. Reuss, chairman:		
Phineas Indritz	Counsel	$12,418.82
Edna Gass	Professional staff member.	12,418.82
Laurence A. Davis	Assistant counsel	10,178.10
Gerald S. Schatz	Professional staff member.	6,055.38
Josephine Scheiber	Research analyst	6,395.90
Catherine L. Hartke	Stenographer	5,562.26
Expenses		1,234.77
Total		54,264.05
Special Studies Subcommittee, Hon. John S. Monagan, chairman:		
Louis I. Freed	Staff administrator	12,418.82
Jacob N. Wasserman	Counsel	11,177.71
Herschel F. Clesner	Counsel (June 1 to June 30).	1,917.24
Peter S. Barash	Legal analyst	7,913.40
Charles P. Witter	Staff member	6,552.47
Marilyn F. Jarvis	Stenographer	6,020.14
Expenses		1,411.53
Total		47,411.31

Funds authorized or appropriated for committee expenditures H., Res. 214, 91st Cong.	$850,000.00
Amount expended from Jan. 3 to June 30, 1969	378,311.53
Balance unexpended as of June 30, 1969	471,688.47

WILLIAM L. DAWSON,
Chairman.

JULY 11, 1969.

COMMITTEE ON HOUSE ADMINISTRATION

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1969, to June 30, 1969, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Julian P. Langston	Chief clerk	$14,705.00
David S. Wolman	Personnel Analyst	11,719.92
Robert D. Gray	Auditor	11,036.67
Louis Silverman	Assistant clerk	7,776.96
Irene D. Stolman	do	3,705.60
Gurney S. Jaynes	do	4,684.44
Judith Kay Holes	do	4,495.62
Ava S. Jacobs	do	4,201.80
Rita A. Stewart	do	3,562.95
Rosemary Cockrell	do	1,315.35
Robert H. Frank	do	3,273.45
Elizabeth Melvin	do	1,210.22
Mary F. Stolle	do	700.09
Melvin M. Miller	Minority clerk	4,242.72
Judith M. Squires	Assistant clerk, minority.	633.98
John C. d'Amecourt	Staff director, Subcommittee on Library and Memorials.	3,221.88
Thomas J. Hart	Printing clerk	833.76
Carolyn L. Gurr	Assistant clerk	917.82
Gwenda R. Green	do	611.88
Henry L. Belsky	Legislative counsel	375.30
Stephen Rosenbaum	Assistant clerk	300.17
Margaret Ann Castor	do	260.25
Eric Honick	Assistant printing clerk	227.75

Funds authorized or appropriated for committee expenditures	$300,000.00
Amount of expenditures previously reported	0
Amount expended from Jan. 1, 1969, to June 30, 1969	16,662.34
Balance unexpended as of June 30, 1969	283,337.66

SAMUEL N. FRIEDEL,
Chairman.

JULY 8, 1969.

COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 3, 1969, to June 30, 1969, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Sidney L. McFarland	Staff director and chief clerk.	$14,746.30
T. Richard Witmer	Counsel and consultant on national parks and recreation (retired Feb. 1, 1969).	2,333.33
William L. Shafer	Consultant on mining, minerals, and public lands.	13,953.90
Lewis A. Sigler	Counsel and consultant on Indian affairs.	13,359.90
Charles Leppert, Jr.	Assistant counsel and consultant on territorial and insular affairs (from Feb. 1).	10,305.35
Lee McElvain	Assistant counsel and consultant on national parks and recreation (from Feb. 1, 1969).	7,762.65
Dixie S. Barton	Clerk	7,205.40
Patricia Ann Murray	do	7,205.40
Virginia E. Bedsole	Clerk (resigned as of Mar. 15, 1969).	2,626.21
Patricia B. Freeman	Clerk	6,378.25
Susan W. Gardner	do	5,909.71
Kathleen Vance	Clerk (from Mar. 16, 1969).	3,480.57
Ch rles Leppert, Jr.	Assistant counsel and consultant on territorial and insular affairs (Jan. 3 to Jan. 31, 1969).	1,823.10
Lee McElvain	Assistant counsel (Jan. 3 to Jan. 31, 1969).	1,298.05
Kathleen Vance	Clerk (Jan. 3 to Mar. 15, 1969).	2,319.25
Edward Gaddis	Messenger	3,603.08
Marston L. Becker	Printing clerk (from Mar. 16, 1969).	3,735.06
Miriam Waddell	Clerk (from Mar 19, 1969).	2,822.78
Jim T. Casey	Consultant on irrigation and reclamation (from Apr. 13, 1969	5,078.63

Funds authorized or appropriated for committee expenditure	$115,000.00
Amount expended from Jan. 3 to June 30, 1969	27,181.71
Total amount expended from Jan. 3, 1969 to June 30, 1969	27,181.71
Balance unexpended as of June 30, 1969	87,818.29

WAYNE N. ASPINALL,
Chairman.

JULY 15, 1969.

COMMITTEE ON INTERNAL SECURITY

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1969, to June 30, 1969, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Standing committee:		
Donald T. Appell	Investigator	$11,564.28
Anniel Cunningham	Chief of files and reference.	6,928.38
Glenn E. Davis	Editorial director (transferred from Inv. Comm. June 7)	1,667.14
Helen M. Gittings	Research analyst	6,906.78
Juliette P. Joray	Recording clerk	8,925.06
Alfred M. Nittle	Counsel (transferred from Inv. Comm. March 1)	7,759.16
Francis J. McNamara	Research director (res. June 6)	12,135.92
Josephine Randolph	Secretary (transferred to Inv. Comm. February 5)	826.71
Donald G. Sanders	Chief counsel (appointment February 5)	11,357.62
Chester D. Smith	General counsel (res. February 28)	3,854.76
Mary M. Valente	Administrative secretary.	7,387.02
Lorraine N. Veley	Secretary to investigators.	5,433.18
William A. Wheeler	Investigator	10,766.46
Investigating Committee:		
Bette Mae Ayers	Clerk-typist (res. March 21)	1,106.08
Margie Biggerstaff	Secretary to editorial director (appointment May 20)	883.60
Robert Lee Blackburn	Assistant documents clerk.	2,703.84
Barbara Gay Bolt	Information classifier	2,108.87
Daniel Butler	Assistant documents clerk.	4,040.88
Mary Jo Chapman	Clerk-stenographer	2,691.36
Sara Janice Coil	Secretary to counsel	4,233.57
Jean W. Curll	Secretary to director of research.	4,734.29
Susan Kay Daniels	Information classifier	3,197.94
Glenn E. Davis	Editorial director (appointed March 8, transferred to standing committee June 6, 1969).	6,182.29
Florence B. Doyle	Clerk-stenographer	3,428.70
David J. DuRoss	Clerk-typist (appointed June 16, 1969).	201.21
Elizabeth Edinger	Editor	6,266.21
Rochelle Epstein	Clerk-typist	2,662.44
Kathryn Fogle	Clerk-typist (resigned Jan. 20, 1969).	307.37
Emily Francis	Information analyst	3,747.54
James L. Gallagher	Research analyst	6,647.69
Christine Haynes	Information classifier	2,882.04
Darlyn B. Henderson	Clerk-typist (appointed June 16, 1969).	201.21
Paul C. Higgins	Information classifier (resigned Mar. 12, 1969).	1,152.82
Robert M. Horner	Chief investigator (appointed Apr. 14, 1969).	4,001.30
Doris R. Jaeck	Information analyst	3,491.08
Mildered James	Clerk-typist	2,868.30
B. R. McConnon, Jr.	Investigator	7,125.06
Wm. J. McMahon	Investigator (resigned May 9, 1969).	4,939.54
Kathleen C. Marche	Information classifier	2,882.04
Virginia Masino	Receptionist (appointed Mar. 17, 1969).	598.31
Artie Moreland	Secretary to general counsel (resigned Mar. 21, 1969).	2,365.50
David Muffley, Jr.	Documents clerk	3,948.54
Monica Rae Munger	Clerk-typist (appointed May 12, 1969).	753.05
Alfred M. Nittle	Counsel (transferred to standing committee Mar. 1, 1969).	3,712.72
Maureen P. Ontrich	Information analyst	3,595.01
Alma Pfaff	Research analyst	4,131.84
Peggy Pixley	Editorial clerk	3,595.01
Wm. T. Poole	Research assistant	3,560.40
Rosella A. Purdy	Clerk-typist	827.82
Josephine Randolph	Secretary (transferred from standing committee Feb. 5, 1969).	3,633.91
Herbert Romerstein	Investigator	6,892.38
Stephen H. Romines	Assistant counsel (appointed Mar. 10, 1969).	4,711.72
Richard A. Shaw	Investigator (appointed June 25, 1969).	267.48
Wm. G. Shaw	Research director appointed June 11, 1969).	1,111.15
Investigating Committee—Continued		
Freda Sheppard	Secretary (Jan. 1–2, 1969).	75.38
Linda Spirt	Secretary	3,816.84
Donald I. Sweany, Jr.	Research analyst (resigned June 30, 1969).	6,402.96
Barbara C. Sweeny	Clerk-stenographer	3,539.58
Katherine Taylor (White)	Information classifier	2,882.04
Neil E. Wetterman	Investigator	5,894.12
Billie Wheeler	Clerk-stenographer	2,691.36

Funds authorized or appropriated for committee expenditures	$400,000.00
Amount of expenditures previously reported	
Amount expended from Jan. 3 to July 1, 1969	160,955.01
Total amount expended from Jan. 3 to July 1, 1969	
Balance unexpended as of July 1, 1969	239,044.99

RICHARD H. ICHORD,
Chairman.

JULY 1, 1969.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1969, to June 30, 1969, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Clerical staff:		
W. E. Williamson	Clerk	$14,746.30
Kenneth J. Painter	First assistant clerk	12,160.86
Mardella Johnson	Assistant clerk	7,219.92
Frank Mahon	Printing editor (from Jan. 12, 1969.)	8,513.39
Mary Ryan	Clerical assistant	5,710.26
Mildred H. Lang	do	5,710.26
Hazel J. Collie	Staff assistant	7,183.44
Elsie M. Karpowich	Clerical assistant	5,710.26
Edwin Earl Thomas	Staff assistant	5,376.66
Marion M. Burson	Staff assistant (minority).	12,160.86
Professional staff:		
Andrew Stevenson	Professional staff coordinator.	14,746.30
William J. Dixon	Professional staff member.	14,746.30
James M. Menger	do	14,746.30
Robert F. Guthrie	do	14,746.30
Additional temporary employees under H. Res. 116 and 320:		
Lewis E. Berry, Jr.	Minority counsel	14,746.30
Helen M. Dubino	Staff assistant (minority)	11,318.32
Barbara L. Bullard	Clerical assistant (minority)	4,517.74
Dolores D. Jones	Clerical assistant (minority) (to May 24, 1969)	2,682.87
Sarah L. Court	Staff assistant (minority)	3,806.04
John I. Burton	Staff assistant (to Feb. 28, 1969)	1,787.52
Eleanor A. Dinkins	Clerical assistant	5,710.26
F. Martin Kuhn	Staff assistant (from June 9, 1969)	1,222.98
Michael A. Taylor	Staff assistant (from Apr. 21, 1969)	3,891.32
Theodore H. Focht	Special counsel (from May 26, 1969)	2,307.46
Christine M. Fawcett	Clerical assistant (minority) (from May 25, 1969)	720.45
Walter J. Graham, Jr.	Staff assistant (from Mar. 1, 1969)	6,670.84
Joseph T. Kelley	Messenger (from June 16, 1969)	187.65
William S. Townsend	Staff assistant (from Apr. 1, 1969)	4,501.53

SPECIAL SUBCOMMITTEE ON INVESTIGATIONS

Name of employee	Profession	Total gross salary during 6-month period
Robet W. Lishman	Chief counsel	$14,746.30
Daniel J. Manelli	Attorney	10,463.80
James R. Connor	Staff assistant	9,834.96
Elizabeth G. Paola	Clerical assistant	5,710.26
George T. Turner	Special assistant (to Feb. 16, 1969)	2,681.43
Russell D. Mosher	Staff assistant	4,236.96
S. Arnold Smith	Attorney	10,225.56
William T. Druhan	Staff assistant	10,539.48
James P. Kelly	Chief investigator	11,395.20
William D. Kane	Staff investigator (to Feb. 15, 1969)	2,559.70
Martha J. San Fellipo	Clerical assistant (to Jan. 17, 1969)	378.34
James F. Broder	Special assistant (from May 19, 1969)	2,270.74
Robert L. Rebein	Staff attorney (from Feb. 1, 1969).	8,324.70
Benjamin M. Smethurst	Special assistant (from Feb. 1, 1969).	8,324.70
Elizabeth A. Hazes	Clerical assistant (from Apr. 17, 1969).	2,056.58
Lucy M. Gossett	Clerical assistant (from Apr. 1, 1969).	2,550.69

Funds authorized or appropriated for committee expenditures	$595,000.00
Amount of expenditures previously reported	
Amount expended from Jan. 3, 1969 to June 30, 1969	177,593.49
Total amount expended from Jan. 3, 1969 to June 30, 1969	177,593.49
Balance unexpended as of June 30, 1969	417,406.51

HARLEY O. STAGGERS,
Chairman.

JULY 15, 1969.

COMMITTEE ON THE JUDICIARY

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 3, 1969, to June 30, 1969, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Bess Effratt Dick	Staff director	$14,746.31
Herbert Fuchs	Counsel	14,081.78
Benjamin L. Zelenko	General counsel	13,957.75
Garner J. Cline	Counsel	10,915.12
Donald G. Benn	Associate counsel	10,302.45
Jerome M. Zeifman	Counsel (from Mar. 24, 1969).	5,385.15
Frances Christy	Clerical staff	8,023.50
Jane C. Caldwell	do	7,359.18
Gertrude Clara Burak	do	6,546.90
Carrie Lou Allen	do	6,194.64
Lorraine W. Beland	do	6,194.64
Elizabeth G. Meekins	Clerical staff (through Feb. 28, 1969).	2,064.88
Roberta E. Eisenberg	Clerica staff	5,767.26
Pearl Cheilman	Clerical	3,468.99
Katherine L. Ely	Clerical (from Mar. 3, 1969).	2,626.09
James J. Faris	Counsel (from Apr. 14, 1969).	3,210.64
Paul S. Fenton	Associate counsel (from Mar. 3, 1969).	3,934.87
Howard W. Fogt, Jr	Assistant counsel	6,196.59
William B. Forti	Economist (from May 1, 1969).	2,918.66
Austin T. Fragomen, Jr	Assistant counsel (through Apr. 7, 1969).	2,923.53
Phyllis R. Goldberg	Clerical (from May 5, 1969).	936.09
Alma B. Haardt	Clerical	4,953.92
W. Thomas Hutton	Assistant counsel (from Mar. 3, 1969).	3,279.46
R. Frederick Jett	Counsel	$7,505.66
Mary Jordan	Clerical	4,085.93
Michael Kelemonick	do	5,233.20
John J. Lokos	Assistant counsel	7,045.89
Florence T. McGrady	Clerical	5,372.81
Bernice McGuire	Clerical (from Mar. 26, 1969).	1,981.51
Elizabeth G. Meekins	Clerical (from June 10, 1969).	731.75
Thomas E. Mooney	Assistant counsel	4,536.69
Macy Beatrice (Duckett) O'Brien.	Clerical (from Mar. 12, through Mar. 21, 1969).	208.58
Franklin J. Polk	Associate counsel	9,089.25
Donald E. Santarelli	Associate counsel (through Jan. 12, 1969).	375.31
O'Wighten Delk Simpson	Investigator (from Feb. 24, 1969).	3,176.82
Mary G. Sourwine	Clerical	4,758.47
Toni Alleyne Taylor	Clerical (from June 2, 1969).	604.88
Louis S. Vance	Messenger	3,774.43
John F. Winslow	Assistant counsel (from Mar. 10, 1969).	3,864.17

Funds authorized or appropriated for committee expenditures	$250,000.00
Amount expended Jan. 3 through June 30, 1969	102,587.42
Balance unexpended as of June 30, 1969	147,412.58

EMANUEL CELLER,
Chairman.

FUNDS FOR PREPARATION OF UNITED STATES CODE, DISTRICT OF COLUMBIA CODE, AND REVISION OF THE LAWS

A. Preparation of new edition of United States Code (no year):	
Unexpended balance Dec. 31, 1968	$37,945.81
Expended Jan. 1–June 30, 1969	27,456.24
Balance June 30, 1969	10,489.57
B. Preparation of New Edition of District of Columbia Code:	
Unexpended balance Dec. 31, 1968	62,300.26
Expended Jan. 1–June 30, 1969	27,045.79
Balance June 30, 1969	35,254.47
C. Revision of the Laws, 1969:	
Unexpended balance Dec. 31, 1968	15,248.14
Second supplemental, 1969	1,490.00
	16,738.14
Expended Jan. 1–June 30, 1969	14,885.48
Balance June 30, 1969	1,852.66

JULY 10, 1969.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1969, to June 30, 1969, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
John M. Drewry	Chief counsel	$14,746.30
Bernard J. Zincke	Counsel	14,194.30
Ned P. Everett	do	12,201.96
Arthur Pankopf, Jr	Minority counsel	7,031.25
Richard N. Sharood	do	4,420.55
Robert J. McElroy	Chief clerk	13,785.12
William B. Winfield	Clerk	9,597.72
Frances P. Still	Assistant clerk	7,414.86
Ruth A. Brookshire	do	6,052.14
Vera A. Barker	Secretary	7,095.90
Virginia L. Noah	do	6,719.64
Investigating committee staff:		
Donald A. Watt	Editor	$7,749.12
Gus Bakas	Counsel	9,174.12
Albert J. Dennis	Investigator	8,190.66
Norman M. Barnes	do	4,096.86
Lucye L. Summers	Secretary	4,431.96
Diane G. Kirchenbauer	do	4,096.86
Jane C. Wojcik	do	5,539.32
Richard A. Lidinsky, Jr.	Investigator	593.40
Pauline M. Dickerson	Secretary	279.46
Ronald L. Schwartz	Assistant clerk	160.97
Ernest J. Corrado	Counsel	388.88

Funds authorized or appropriated for committee expenditures	$135,000.00
Amount of expenditures previously reported	
Amount expended from Jan. 1, 1969 to June 30, 1969	50,261.19
Total amount expended from —— to ——	
Balance unexpended as of June 30, 1969	84,738.81

EDWARD A. GARMATZ,
Chairman.

JULY 15, 1969.

COMMITTEE ON POST OFFICE AND CIVIL SERVICE

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1969, to June 30, 1969, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Standing committee staff:		
Johnson, Charles E	Chief counsel and staff director.	$14,746.31
Bray, B. Benton	Associate staff director	14,544.02
Martiny, John H	Counsel	14,544.02
Irvine, William A	Assistant staff director	14,544.02
Kazy, Theodore James	Senior staff assistant	14,544.02
Fortune, Francis C	Coordinator	11,178.72
Smiroldo, Victor C	Senior staff assistant (from May 5, 1969).	2,724.08
Thornton, Elsie E	Clerk	8,814.54
Wells, Barbara M	Secretary	6,719.64
Simons, Blanche M	do	6,474.96
Snipes, Justine P	Secretary (to May 4, 1969).	3,973.00

Investigative staff, pursuant to H. Res. 268 and 301 of the 91st Cong., 1st sess.

Barton, Richard A	Staff assistant	$7,624.50
Bates, Kathryn E	Secretary	4,847.22
Bebick, Joan E	do	3,442.56
Berner, Joan H	Secretary (to Feb. 28, 1969).	1,269.98
Bingaman, Deanne L	Secretary	4,337.04
Breeskine, Steven D	Junior staff assistant (from June 9).	318.26
Brown, Lorraine L	Secretary (from Mar. 1).	2,670.60
Davis, Stewart A	Staff assistant	7,281.66
Devlin, Ralph J	do	10,691.34
Dowd, Maureen B	Intern (from June 16)	162.68
Flanagan, Carol A	Secretary	4,531.11
Gabusi, John B	Staff assistant (from Feb. 1).	7,508.00
Gandel, Judith R	Intern (from June 16)	175.08
Gould, George B	Staff assistant (from Mar. 1).	6,670.84
Green, Thelma R	Secretary	5,433.18
Hardy, Leroy	Research assistant (from June 1).	1,314.90
Hart, Sally	Secretary (from Apr. 7).	1,869.42
Howard, Alton M	Printing editor (from Apr. 1).	3,752.70
Keating, Michael M	Staff assistant (to Feb. 28).	1,712.22

Name of employee	Profession	Total gross salary during 6-month period
Kennedy, Thomas R.	Staff assistant	$7,995.30
Lloyd, Max T.	Staff assistant (from Mar. 1).	8,241.94
Maginnis, Patricia A.	Intern (from June 16)	191.72
Maull, Cynthia	do	199.86
Matchett, Francis T.	Investigator	6,432.97
Moore, George M.	Senior staff assistant (minority) (from Mar. 1).	9,877.36
Myers, Lois G.	Secretary (from Apr. 1).	2,497.74
Napier, Margaret G.	Secretary	3,880.17
Noonan, Paula E.	Intern (from June 16)	175.08
Olson, Lynne	Staff assistant (from June 1).	375.30
Pendleton, Maria R.	Document clerk	6,467.76
Peters, Dorothy L.	Assistant document clerk.	5,525.04
Powell, John W.	Staff assistant (to Feb. 16).	1,809.65
Quigley, Michael A.	Intern (from June 16)	162.68
Snipes, Justine P.	Secretary (from May 5).	1,794.26
Tessler, Mark	Intern (from June 16)	167.68
Vaughn, Evelyn F.	Secretary (to Feb. 28)	1,290.76
Ward Sara L.	Secretary	5,898.91
Williss, Donna Linn	do	3,939.09
Contract consultant, pursuant to H. Res. 268 and Cong., 1st sess. (annual contract)		301, 91st
Winslow, Joseph E.	Position classification consultant.	1,500.00

Funds authorized or appropriated for committee expenditures	$412,000.00
Amount expended from Jan. 3 to June 30, 1969	147,342.54
Balance unexpended as of June 30, 1969	264,657.46

THADDEUS J. DULSKI,
Chairman.

JUNE 30, 1969.

COMMITTEE ON PUBLIC WORKS

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1969, to June 30, 1969, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Standing comittee:		
Richard J. Sullivan	Chief counsel	$14,743.42
Lester Edelman	Counsel	12,051.24
Clifton W. Enfield	Minority counsel	14,487.06
Stephen V. Feeley	Subcommittee clerk	9,315.18
Dorothy A. Beam	Executive staff assistant.	8,344.62
Meriam R. Buckley	Staff assistant	6,273.42
Sterlyn B. Carroll	do	5,310.74
Anne K. Gartland	do	5,150.76
Lloyd A. Rivard	Engineer-consultant (as of Apr. 5, 1969).	5,954.29
Investigating staff:		
Richard C. Peet	Assistant minority counsel (as of Apr. 1, 1969).	6,251.76
Thomas Smrekar	Subcommittee clerk (as of Mar. 10, 1969).	6,016.13
Audrey G. Warren	Subcommittee clerk	8,944.56
Sheldon S. Gilbert	Associate minority counsel.	7,939.74
Augusta P. Peterson	Subcommittee clerk	6,978.72
Robert F. Spence	do	6,978.72
Joseph A. Italiano	Editorial assistant	6,756.44
Erla S. Youmans	Minority staff assistant.	6,647.69
Sara B. Hilber	do	4,425.66
Linda Coberly	Minority staff assistant (as of Feb. 24, 1969).	2,826.39
Julie E. Wood	Staff assistant	3,560.40
Harvey C. Simms, Jr.	Clerical assistant (as of June 4, 1969).	289.81
Maurice B. Tobin	Subcommittee clerk (terminated Feb. 15 1969).	2,611.50
Jeannine A. Marcoux	Staff assistant (terminated Feb. 15, 1969).	$1,245.34
Florence S. Spaulding	Minority staff assistant (terminated Feb. 28, 1969).	1,479.88
Virginia Otterson	Staff assistant (terminated Mar. 31, 1969).	1,936.14

Special Subcommittee on the Federal-Aid Highway Program

Walter R. May	Chief counsel	$14,657.98
John P. Constandy	Assistant chief counsel.	13,809.48
Robert L. May	Assistant minority counsel (terminated Mar. 2, 1969).	4,777.29
Salvatore J. D'Amico	Associate counsel	10,526.10
John P. O'Hara	do	10,526.10
Carl J. Lorenz, Jr.	do	10,686.36
Robert G. Lawrence	do	9,507.76
George M. Kopecky	Chief investigator	13,110.00
Sherman S. Willse	Professional staff member.	10,526.10
Paul R. S. Yates	Professional staff member, minority.	10,965.63
Kathryn M. Keeney	Chief clerk	6,633.29
Stuart M. Harrison	Staff assistant	7,974.12
Mildred E. Rupert	do	5,404.91
Agnes M. GaNun	do	5,235.18
Shirley R. Knighten	do	4,509.60
Martha E. Downie	Minority staff assistant.	4,889.58

Funds authorized or appropriated for committee expenditures	$486,000.00
Amount of expenditures previously reported	0
Amount expended from Jan. 3 to June 30, 1969	231,790.52
Total amount expended from Jan. 3 to June 30, 1969	231,790.52
Balance unexpended as of June 30, 1969	254,209.48

GEORGE H. FALLON,
Chairman.

JULY 14, 1969.

COMMITTEE ON RULES

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1969, to June 30, 1969, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Laurie C. Battle	Counsel, Standing Committee (P).	$14,746.31
Mary Spencer Forrest	Assistant counsel (P)	8,344.62
Winifred L. Watts	Secretary (C)	6,323.92
Jonna Lynne Cullen	do	4,502.58
Anne Battle	Secretary (C) (June 16 to June 30).	191.72
Robert D. Hynes, Jr.	Minority counsel (P)	12,509.94
Total		46,619.09

Funds authorized or appropriated for committee expenditures	$5,000.00
Amount of expenditures previously reported	
Amount expended from Jan. 1, 1969 to June 39, 1969	852.12
Total amount expended from Jan. 1, 1969 to June 30, 1969	852.12
Balance unexpended as of June 30, 1969	4,147.88

WM. M. COLMER,
Chairman.

JULY 8, 1969.

COMMITTEE ON SCIENCE AND ASTRONAUTICS

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1969, to June 30, 1969, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Charles F. Ducander	Executive director and chief counsel.	$14,746.30
John A. Carstarphen, Jr.	Chief clerk and counsel.	14,320.90
Philip B. Yeager	Counsel	14,320.90
Frank R. Hammill, Jr.	do	13,904.70
James E. Wilson	Technical consultant	13,276.62
Mary Ann Robert	Secretary	5,809.98
Emily Dodson	do	5,567.82
Caro F. Rodgers	do	5,433.18
June C. Stafford	do	5,433.18
Virginia Robison	do	5,433.18
Richard P. Hines	Staff consultant	13,276.62
Harold A. Gould	Technical consultant	13,276.62
Peter A. Gerardi	Technical consultant (through June 8, 1969).	11,653.85
Philip P. Dickinson	Technical consultant	11,510.22
Joseph M. Felton	Counsel	9,003.06
Richard Beeman	Minority staff (through Mar. 19, 1969).	5,286.13
W. H. Boone	Technical consultant (from May 15, 1969).	3,700.79
William G. Wells, Jr.	Technical consultant (from Feb. 1, 1969).	9,208.50
K. Guild Nichols, Jr.	Staff consultant (from Feb. 1, 1969).	6,254.50
James A. Rose, Jr.	Minority staff (from June 2, 1969).	1,611.06
Frank J. Giroux	Printing clerk	6,762.84
Elizabeth S. Kernan	Scientific research assistant.	6,532.50
Denis C. Quigley	Publications clerk	4,953.12
Kieran U. Cashman	Secretary	4,495.62
Martha N. Rees	do	3,115.50
Patricia J. Speed	Secretary (from Mar. 24, 1969).	2,158.74
Richard K. Shullaw	Assistant publications clerk (from May 21, 1969).	517.67
Michael Torres	Clerical assistant (from June 16, 1969).	150.00

Funds authorized or appropriated for committee expenditures	$350,000.00
Amount of expenditures previously reported	0
Amount expended from Jan. 3 to June 30, 1969	187,573.18
Balance unexpended as of June 30, 1969	162,426.82

GEORGE P. MILLER,
Chairman.

JULY 1, 1969.

COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1969, to June 30, 1969, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
John M. Swanner	Staff director	$14,487.06
Bennett Wolfe	Assistant staff director	12,154.02
Robert G. Allett	Senior staff member	13,597.18
Mariann R. Mackenzie	Secretary	7,700.40
Tempie W. Whittington	Assistant clerk	3,636.66
Ute Debus	Assistant clerk (from Jan. 1, 1969 to Jan. 31, 1969)	900.82

Funds authorized or appropriated for committee expenditures (H. Res. 204, Mar. 12, 1969)	$20,000.00
Amount of expenditures previously reported	----------
Amount expended from Mar. 12, 1969 to June 30, 1969	170.30
Total amount expended from Mar. 12, 1969 to Mar. 12, 1969	170.30
Balance unexpended as of June 30, 1969	19,829.70

MELVIN PRICE, Chairman.

JULY 14, 1969.

COMMITTEE ON VETERANS' AFFAIRS

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1969, to June 30, 1969, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Standing committee:		
Oliver E. Meadows	Staff director	$14,746.30
Edwin B. Patterson	Counsel	14,081.78
Billy E. Kirby	Professional aide	11,782.54
John R. Holden	Professional staff member.	12,530.94
George W. Fisher	Clerk	14,081.78
Helen A. Biondi	Assistant clerk	8,272.00
Alice V. Matthews	Clerk-stenographer	6,052.14
George J. Turner	Assistant clerk	6,052.14
Morvie Ann Colby	Clerk-stenographer	5,881.20
Marjorie J. Kidd	do	5,353.82
Investigative staff:		
Chrystelle E. Fletcher	do	4,264.73
Helen Lee Fletcher	do	1,482.14
Audrey A. Powelson	do	4,432.62
Patricia J. Wilton	do	4,432.62
Thomas R. Link	Clerk-messenger	1,426.44
E. S. Johnny Walker	Investigator	3,428.58
Philip Eugene Howard	do	6,155.18
Thomas E. Laubacher, Jr.	Clerk-messenger	153.89
Richard C. Daddario	do	113.10

Funds authorized or appropriated for committee expenditures	$150,000
Amount expended from Jan. 1, to June 30, 1969	39,269
Total amount expended from Jan. 1, to June 30, 1969	39,269
Balance unexpended as of June 30, 1969	110,731

OLIN E. TEAGUE, Chairman.

JUNE 30, 1969.

COMMITTEE ON WAYS AND MEANS

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1969, to June 30, 1969, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
John M. Martin, Jr.	Chief counsel (C)	$14,767.18
William H. Quealy	Minority counsel (P)	14,767.18
John Patrick Baker	Assistant chief counsel (P).	13,595.28
Robert B. Hill	Professional staff (P)	7,995.30
William T. Kane	Professional staff (P) from Mar. 1, 1969.	$8,670.60
James W. Kelley	Professional staff (P)	12,448.68
Harold Lamar	do	11,719.92
Francis Bremson	Staff assistant (C) to April 1, 1969.	1,873.77
Florence Burkett	Staff assistant (C)	4,924.86
Virginia Butler	do	6,683.64
William C. Byrd	do	4,488.60
Shirley Furnier	Staff assistant (C) to Jan. 2, 1969.	26.02
Grace Kagan	Staff assistant (C)	6,683.64
June Kendall	do	7,282.56
Jerry W. Knebel	Staff assistant (C) from April 1, 1969.	2,326.34
Elizabeth Price	Staff assistant (C)	5,023.74
Jean Ratliff	do	3,809.94
Gloria Shaver	do	6,109.14
Eileen Sonnett	do	5,596.26
Shirley Vallance	Staff assistant (C) from Jan. 3, 1969.	4,500.97
Carole Vazis	Staff assistant (C) from Jan. 3, 1969.	4,500.97
Richard C. Wilbur	Staff assistant (C)	12,503.52
Hughlon Greene	Document clerk (C)	5,150.76
Walter B. Little	do	5,150.76

Funds authorized or appropriated for committee expenditures	$50,000.00
Amount of expenditures previously reported	----------
Amount expended from Jan. 1 to June 30, 1969	2,089.12
Total amount expended from Jan. 1 to June 30, 1969	2,089.12
Balance unexpended as of June 30, 1969	47,910.88

W. D. MILLS, Chairman.

JULY 18, 1969.

JOINT COMMITTEE ON DEFENSE PRODUCTION

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1969, to June 30, 1969, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Harold J. Warren	Clerk and counsel	$12,558.36
Charles S. Brewton	General counsel	10,282.55
George T. Ault	Professional staff member.	8,549.94
Cary H. Copeland	do	6,978.72
Richard W. Wilson	do	1,979.98
Mattie I. Echols	Secretary	4,425.66
Mary Donna Stone	Clerk-typist	505.52
Patricia Gail Abrahamson	do	505.52
Robert A. MacMasters, Jr.	Assistant clerk	381.63

Funds authorized or appropriated for committee expenditures	$107,950.00
Amount of expenditures previously reported	39,637.24
Amount expended from Jan. 1, 1969 to June 30, 1969	46,320.97
Total amount expended from July 1, 1968 to June 30, 1969	85,958.21
Balance unexpended as of June 30, 1969	21,991.79

JOHN SPARKMAN, Chairman.

JULY 9, 1969.

JOINT COMMITTEE ON INTERNAL REVENUE TAXATION

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1969, to July 1, 1969, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
L. N. Woodworth	Chief of staff	$18,249.98
Lincoln Arnold	Assistant chief of staff	14,767.18
Arthur Fefferman	Chief economist	3,833.64
Nicholas A. Tomasulo	Legislation counsel	13,460.31
Robert R. Smyers	Refund counsel	13,415.13
Dennis P. Bedell	Assistant legislation counsel.	9,152.91
James H. Symons	Statistical analyst	12,790.65
John Germanis	do	9,755.85
James M. LaMarche	Administrative assistant.	9,943.65
Harrison B. McCawley	Refund attorney	9,867.87
Herbert L. Chabot	Legislation attorney	9,241.23
Joseph P. Spellman	do	8,652.96
Joseph E. Fink	Statistical clerk	8,302.92
Anastasia Connaughton	do	8,302.92
William Forti	Economic assistant	4,012.88
Joanne McDermott	Secretary	5,856.30
James L. Boring	Refund attorney	4,777.55
Blanche Nagro	Secretary (refund)	4,889.61
Linda Savage	Secretary	4,639.44
Elizabeth L. Ruth	do	4,833.12
June Matthews	do	3,935.64
Mary W. Gattie	do	4,369.68
Linda Buckley	do	398.73
Richard Trotter	Legislation attorney	3,414.84
Leon W. Klud	Economist	6,539.70
Marcia B. Rowzie	Secretary	3,695.55
Sheila Johnson	do	3,543.06
John Broadbent	Legislation attorney	9,322.53
Sharon M. Feinsilber	Secretary	3,219.84
Jamie L. Daley	do	4,205.31
Michael D. Bird	Economist	9,660.72
F. M. Hubbard	Attorney	2,501.40
Bernard M. Shapiro	Legislation attorney	5,136.63
Albert Buckberg	Economist	9,010.40
Jerome M. Zeifman	Legislation attorney	4,151.41
Hollis Dixon	Accountant	1,250.90

Funds authorized or appropriated for committee expenditures	$531,905.00
Amount of expenditures previously reported (July 1, 1968 to Jan. 1, 1969)	238,572.33
Amount expended from Jan. 1, to July 1, 1969	253,100.47
Total amount expended from July 1, 1968 to July 1, 1969	491,672.80
Balance unexpended as of July 1, 1969	40,232.20

WILBUR T. MILLS, Chairman.

JULY 15, 1969.

SELECT COMMITTEE ON CRIME

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 1, 1969, to June 30, 1969, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Michael D. Petit	Assistant press officer (June 1).	$1,417.51
Raphael J. Madden	Messenger (June 1)	500.94
Mary M. Goulart	Secretary (June 21)	264.19
Eric D. Balber	Research assistant (June 1–8).	173.33
Avanell K. Bass	Secretary (June 19)	333.50
George R. Sullivan, S.J.	Research assistant (June 9).	398.73
Kathleen M. Mitchell	Secretary/research assistant (June 10).	380.60
Beverly Bondy	Secretary (June 23)	155.77
William Stoudenmire	Research assistant (June 23).	144.99
Amelia T. Lasser	Secretary (June 1)	833.76
Thomas McBride	Deputy chief counsel (June 6).	1,909.72

Name of employee	Profession	Total gross salary during 6-month period
John B. Culverhouse	Research assistant (June 10).	$380.60
Richard W. Kurrus	Chief counsel (June 6).	2,083.50
Andrew Radding	Assistant counsel (June 30).	36.13
Julian Granger	Investigator (June 30).	44.46
Leroy C. Bedell, Jr.	do	27.79
Albert W. Overby, Jr.	Associate counsel (June 29).	102.78
Mary G. Poore	Secretary (June 9)	519.54
Arthur E. Cameron	Associate counsel/ assistant to chairman (May 16).	2,501.56
John F. Kane	Hearings officer (May 16).	2,250.77
Joseph M. Cribben	Associate chief investigator (May 16).	2,501.56
Total		16,961.73

Funds authorized or appropriated for committee expenditures $375,000.00

Amount of expenditures previously reported .....
Amount expended from May 16 to June 30 (salary) 16,961.73

Total amount expended from May 16 to June 30 ..... 17,848.87

Balance unexpended as of June 30 ..... 357,151.13

CLAUDE PEPPER,
Chairman.

JULY 9, 1969.

SELECT COMMITTEE ON SMALL BUSINESS

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134(b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from January 3, 1969, to June 30, 1969, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Gregg R. Potvin	General counsel	$14,340.40
Patricia Anne Bishop	Secretary	3,961.39
Justinus Gould	Counsel	12,648.56
Howard Greenberg	Consultant	7,599.17
Thomas J. Oden	Counsel	2,751.84
Henry A. Robinson	do	12,648.56
Marlyn Wilkinson	Secretary	3,609.96
Duane G. Derrick, Jr.	Research analyst	4,106.70
Myrtle Ruth Foutch	Clerk	6,680.58
Charles E. O'Connor	Counsel	13,692.21
Evelyn M. Blomquist	Secretary	3,664.78
William A. Keel, Jr.	Research analyst	13,846.50
Edward D. Boyt	Staff assistant	1,338.62
Bryan H. Jacques	Staff director	14,590.75
Berry C. Williams	Counsel	4,766.30
Joanna G. O'Rourke	Secretary	1,022.04
Christine A. Santoro	do	337.34
Jeanne Arnow McNaughton.	do	2,590.26
Donna M. Santoro	do	3,011.01
Harry A. Olsher	Consultant	6,494.16
Carol Ann Polk	Secretary	2,381.29
Sharon H. Davis	do	999.47
Marjorie Ann Mele	do	579.71
Fred M. Wertheimer	Minority Counsel	10,927.42
Marjorie N. Lisle	Secretary, minority	3,553.95
John M. Finn	Assistant minority counsel.	2,489.61
Julia G. Stivers	Secretary, minority	2,776.40
John J. Williams	Minority Counsel	2,330.87

Funds authorized or appropriated for committee expenditures 350,000.00

Amount of expenditures previously reported .....
Amount expended from ..... to .....
Total amount expended from Jan. 3 to June 30, 1969 ..... 162,563.13

Balance unexpended as of June 30, 1969 ..... 187,436.87

JOE L. EVINS,
Chairman.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

993. A letter from the Director of Civil Defense, Department of the Army, transmitting a report on property acquisitions of emergency supplies and equipment for the quarter ended June 30, 1969, pursuant to the provisions of subsection 201(h) of the Federal Civil Defense Act of 1950, as amended; to the Committee on Armed Services.

994. A letter from the Secretary of the Treasury, transmitting a draft of proposed legislation to carry out the recommendations of the Joint Commission on the Coinage, and for other purposes; to the Committee on Banking and Currency.

995. A letter from the Assistant Secretary of the Interior, transmitting a copy of a proposed concession contract authorizing continuation of the operation of Cedar Pass Lodge, Badlands National Monument, S. Dak., for a 5-year period from January 1, 1969, through December 31, 1973, pursuant to the provisions of the act of July 31, 1953 (67 Stat. 271), as amended by the act of July 14, 1956 (70 Stat. 543); to the Committee on Interior and Insular Affairs.

996. A letter from the Assistant Secretary of the Interior, transmitting a copy of a proposed concession contract authorizing continuation of the operation of El Portal Market, El Portal administrative site, Yosemite National Park, Calif., for a 10-year term from January 1, 1969, through December 31, 1978, pursuant to the provisions of the act of July 31, 1953 (67 Stat. 271), as amended by the act of July 14, 1956 (70 Stat. 543); to the Committee on Interior and Insular Affairs.

997. A letter from the Assistant Secretary of the Interior, transmitting a copy of a proposed concession contract authorizing continuation of ferry service and related facilities and services for the public at the Hall's Crossing site within Glen Canyon National Recreation Area, Utah, for a 5-year period from January 1, 1969, through December 31, 1973, pursuant to the provisions of the act of July 31, 1953 (67 Stat. 271), as amended by the act of July 14, 1956 (70 Stat. 543); to the Committee on Interior and Insular Affairs.

998. A letter from the Secretary of Health, Education, and Welfare, transmitting a report concerning current information on the health consequences of smoking, pursuant to the provisions of section 59(d)(1) of the Federal Cigarette Labeling and Advertising Act; to the Committee on Interstate and Foreign Commerce.

999. A letter from the Chief Commissioner, U.S. Court of Claims, transmitting copies of the opinion and findings of fact by the court in the case of *Mrs. Zdenka Ruchwarger, et al.* v. *The United States*, referred to the court by House Resolution 493, 90th Congress; to the Committee on the Judiciary.

1000. A letter from the Director, Bureau of the Budget, Executive Office of the President, transmitting a draft of proposed legislation to establish a Commission on Population Growth and the American Future; to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, pursuant to the order of the House of July 24, 1969, the following bill was reported on July 25, 1969:

Mr. GARMATZ: Committee on Merchant Marine and Fisheries. H.R. 4813. A bill to extend the provisions of the U.S. Fishing Fleet Improvement Act, as amended, and for other purposes; with amendment (Rept. No. 91-394). Referred to the Committee of the Whole House on the State of the Union.

[*Submitted July 28, 1969*]

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. PERKINS: Committee on Education and Labor. S. 1611. An act to amend Public Law 85-905 to provide for a National Center on Educational Media and Materials for the Handicapped, and for other purposes; with amendment (Rept. No. 91-395). Referred to the Committee of the Whole House on the State of the Union.

Mr. PERKINS: Committee on Education and Labor. House Joint Resolution 764. Joint resolution to authorize appropriations for expenses of the President's Council on Youth Opportunity (Rept. No. 91-396). Referred to the Committee of the Whole House on the State of the Union.

Mr. RODINO: Committee on the Judiciary. H.R. 4249. A bill to extend the Voting Rights Act of 1965 with respect to the discriminatory use of tests and devices (Rept. No. 91-397). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ADDABBO:

H.R. 13112. A bill to provide for the redistribution of unused quota numbers; to the Committee on the Judiciary.

By Mr. BROYHILL of Virginia:

H.R. 13113. A bill to designate the bridge authorized by the act of October 4, 1966, as the "Light Horse Harry Lee Bridge," and for other purposes; to the Committee on the District of Columbia.

By Mrs. CHISHOLM:

H.R. 13114. A bill to provide Federal financial assistance to help cities and communities of the United States develop and carry out intensive local programs to eliminate the causes of lead-based paint poisoning; to the Committee on Banking and Currency.

H.R. 13115. A bill to amend the Federal Aviation Act of 1958 to authorize reduced-rate transportation for certain additional persons on a space-available basis; to the Committee on Interstate and Foreign Commerce.

H.R. 13116. A bill to provide Federal financial assistance to help cities and communities of the United States develop and carry out intensive local programs to detect and treat incidents of lead-based paint poisoning; to the Committee on Interstate and Foreign Commerce.

H.R. 13117. 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. DUNCAN:

H.R. 13118. A bill to provide for public disclosure by Members of the House of Representatives, Members of the U.S. Senate, justices and judges of the U.S. courts, and policymaking officials of the executive branch as designated by the Civil Service Commission, but including the President, Vice President, and Cabinet members; and by candidates for the House of Representatives and the Senate, the Presidency, and the Vice-Presidency; and to give the House Commit-

tee on Standards of Conduct, the Senate Select Committee on Standards of Conduct, the Director of the Administrative Office of the U.S. Courts, and the Attorney General of the United States appropriate jurisdiction; to the Committee on the Judiciary.

H.R. 13119. A bill to amend title 39, United States Code, to provide career status to qualified substitute rural carriers with 5 years of satisfactory service, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. FASCELL (for himself, Mr. MONAGAN, Mr. ROYBAL, Mr. ROSENTHAL, Mr. CULVER, Mr. MORSE, and Mr. FULTON of Pennsylvania):

H.R. 13120. A bill to promote the foreign policy of the United States and to provide for the establishment of the Inter-American Development Institute to promote developmental activities in the Western Hemisphere, and for other purposes; to the Committee on Foreign Affairs.

By Mr. GERALD R. FORD:

H.R. 13121. A bill to authorize the disposal of nickel from the national stockpile; to the Committee on Armed Services.

By Mr. GARMATZ:

H.R. 13122. A bill to amend the Social Security Act to provide that a State's medical assistance program under title XIX of such act may include benefits in the form of institutional services in intermediate-care facilities; to the Committee on Ways and Means.

By Mr. GIAIMO:

H.R. 13123. A bill to provide more efficient and convenient passport services to citizens of the United States of America; to the Committee on Foreign Affairs.

By Mr. HANLEY:

H.R. 13124. A bill to modernize the U.S. Postal Establishment, to provide for efficient and economical postal service to the public, and for other purposes; to the Committee on Post Office and Civil Service.

By Mrs. HANSEN of Washington (for herself, Mrs. MAY, Mr. MEEDS, Mr. PELLY, Mr. HICKS, Mr. ADAMS, Mr. BERRY, Mr. OLSEN, Mr. MELCHER, and Mr. REIFEL):

H.R. 13125. A bill to amend section 11 of the act approved February 22, 1889 (25 Stat. 676), as amended by the act of May 7, 1932 (47 Stat. 150), and as amended by the act of April 13, 1948 (62 Stat. 170), relating to the admission to the Union of the States of North Dakota, South Dakota, Montana, and Washington, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. HARVEY:

H.R. 13126. A bill to adjust agricultural production, to provide a transitional program for farmers, and for other purposes; to the Committee on Agriculture.

By Mrs. HECKLER of Massachusetts:

H.R. 13127. A bill to amend the Internal Revenue Code of 1954 to increase from $600 to $1,200 the personal income tax exemptions of a taxpayer (including the exemption for a spouse, the exemptions for a dependent, and the additional exemptions for old age and blindness); to the Committee on Ways and Means.

By Mr. OLSEN (for himself, Mr. POLLOCK, Mr. CLARK, Mr. DENNEY, Mr. DORN, Mr. HOWARD, Mr. JOHNSON of California, Mr. KLUCZYNSKI, Mr. MELCHER, Mr. ROBERTS, and Mr. WRIGHT):

H.R. 13128. A bill to amend title 23, United States Code, to designate the Alaska Highway, and to authorize construction, reconstruction, and improvement of part of such highway, including a connecting highway; to the Committee on Public Works.

By Mr. PATMAN:

H.R. 13129. A bill to amend title 38 of the United States Code so as to entitle veterans of World War I and their widows and children to pension on the same basis as veterans of the Spanish-American War and their widows and children, respectively; to the Committee on Veterans' Affairs.

By Mr. POLLOCK:

H.R. 13130. A bill to amend title 5, United States Code, to authorize the retirement of employees upon completion of 30 years of service regardless of age; to the Committee on Post Office and Civil Service.

By Mr. QUILLEN:

H.R. 13131. A bill to amend the Internal Revenue Code of 1954 to provide that the first $5,000 of an individual's civil service retirement annuity shall be exempt from income tax; to the Committee on Ways and Means.

By Mr. RARICK:

H.R. 13132. A bill to continue for 11 months the existing rates of withholding of income tax, to provide for the application of surtax payments toward the purchase of U.S. obligations, and for other purposes; to the Committee on Ways and Means.

By Mr. STEIGER of Wisconsin (for himself, Mr. BIESTER, Mr. BRADEMAS, Mr. BROCK, Mr. BURTON of California, Mr. BUSH, Mr. COUGHLIN, Mr. ESHLEMAN, Mr. FREY, Mr. HATHAWAY, Mr. HAWKINS, Mr. HOGAN, Mr. LUJAN, Mr. MCCLOSKEY, Mr. MEEDS, Mr. REID of New York, Mr. RIEGLE, Mr. RUPPE, Mr. SCHEUER, Mr. VANDER JAGT, and Mr. WHITEHURST):

H.R. 13133. A bill to provide for support by the Teacher Corps of programs in which volunteers serve as part-time tutors or full-time instructional assistants; to the Committee on Education and Labor.

By Mr. WEICKER:

H.R. 13134. A bill to provide more efficient and convenient passport services to citizens of the United States of America; to the Committee on Foreign Affairs.

By Mr. WHITEHURST:

H.R. 13135. 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. CHARLES H. WILSON (for himself, Mr. ANDERSON of California, Mr. ADDABBO, Mr. BROWN of California, Mr. BYRNE of Pennsylvania, Mr. DONOHUE, Mr. FRIEDEL, Mr. EDWARDS of California, Mr. GIAIMO, Mr. HAWKINS, Mr. JOHNSON of California, Mr. LEGGETT, Mr. MIKVA, Mr. MOORHEAD, Mr. NIX, Mr. PATTEN, Mr. POWELL, Mr. REES, Mr. ROSENTHAL, Mr. THOMPSON of New Jersey, Mr. VIGORITO, Mr. WHALEN, and Mr. WRIGHT):

H.R. 13136. A bill to provide for a comprehensive and coordinated attack on the narcotic addiction and drug abuse problem, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. BLACKBURN:

H.R. 13137. A bill to amend the Elementary and Secondary Education Act of 1965, with respect to the denial of Federal assistance in certain cases; to the Committee on Education and Labor.

By Mr. FARBSTEIN:

H.R. 13138 A bill to amend Public Law 87-849, approved October 23, 1962, to strengthen provisions relating to disqualification of former Federal officers and employees in matters connected with former duties and official responsibilities, and for other purposes; to the Committee on the Judiciary.

By Mr. GILBERT (for himself, Mr. ADDABBO, Mr. BARRETT, Mr. BIAGGI, Mr. BINGHAM, Mr. BUTTON, Mrs. CHISHOLM, Mr. CLARK, Mr. DENT, Mr. FULTON of Pennsylvania, Mr. NIX, Mr. PATTEN, Mr. POWELL, Mr. ROONEY of Pennsylvania, Mr. ROSENTHAL, and Mr. SCHEUER):

H.R. 13139. 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. JOELSON:

H.R. 13140. 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. McCLURE:

H.R. 13141. A bill to establish the Idaho Star Garnet National Recreation Area in the State of Idaho, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. POLLOCK (by request):

H.R. 13142. A bill to provide for the settlement of certain land claims of Alaska natives, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. ROSENTHAL:

H.R. 13143. A bill to amend the Fair Labor Standards Act of 1938 to repeal the exemption for certain retail commission salesmen from the overtime compensation requirements of the act; to the Committee on Education and Labor.

By Mr. ROSTENKOWSKI:

H.R. 13144. A bill to extend benefits under section 8191 of title 5, United States Code, to law enforcement officers and firemen not employed by the United States who are killed or totally disabled in the line of duty; to the Committee on the Judiciary.

By Mr. ROYBAL:

H.R. 13145. A bill to amend the Fair Labor Standards Act of 1938, as amended, to extend its protection to additional employees, to raise the minimum wage to $2 an hour, to provide for an 8-hour workday, and for other purposes; to the Commitee on Education and Labor.

By Mr. WIDNALL:

H.R. 13146. A bill to amend the Small Business Investment Act of 1958; to the Committee on Banking and Currency.

By Mr. BROTZMAN:

H.J. Res. 839. Joint resolution providing for the display in the Capitol Building of a portion of the moon; to the Committee on House Administration.

By Mr. BROWN of California:

H.J. Res. 840. 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. KUYKENDALL:

H.J. Res. 841. Joint resolution to provide that World Day shall be a legal public holiday which shall be celebrated on July 20; to the Committee on the Judiciary.

By Mr. REES:

H.J. Res. 842. Joint resolution providing for the designation of a week in September of each year as "Industrial Security Week"; to the Committee on the Judiciary.

By Mr. WYLIE:

H.J. Res. 843. 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. ANNUNZIO (for himself, Mr. KLUCZYNSKI, Mr. MIKVA, Mr. PRICE of Illinois, Mr. MURPHY of Illinois, Mr. RONAN, Mr. SHIPLEY, Mr. DAWSON, Mr. PUCINSKI, Mr. NIX, Mr. HAYS, Mr. HICKS, Mr. MCCLORY, Mr. DERWINSKI, Mr. MATSUNAGA, and Mr. GRAY):

H. Con. Res. 307. Concurrent resolution expressing the sense of Congress relating to films and broadcasts which defame, stereotype, ridicule, demean, or degrade ethnic, racial, and religious groups; to the Committee on Interstate and Foreign Commerce.

Mr. RODINO (for himself, Mr. BARRETT, Mr. BYRNE of Pennsylvania, Mr. EILBERG, Mr. GARMATZ, Mr. GROVER, Mr. HELSTOSKI, Mr. HOWARD, Mr. MILLER of California, Mr. MINISH, and Mr. NEDZI):

H. Con. Res. 308. Concurrent resolution expressing the sense of Congress relating to films and broadcasts which defame, stereotype, ridicule, demean, or degrade ethnic, racial, and religious groups; to the Committee on Interstate and Foreign Commerce.

By Mrs. DWYER:

H. Res. 494. Resolution seeking agreement with the Union of Soviet Socialist Republics on limiting offensive and defensive strategic weapons and the suspension of test flights of reentry vehicles; to the Committee on Foreign Affairs.

By Mr. ICHORD (for himself and Mr. CLEVELAND):

H. Res. 495. Resolution amending rule XXXV of the Rules of the House of Representatives to increase fees of witnesses before the House or its committees; to the Committee on Rules.

By Mr. POLLOCK:

H. Res. 496. Resolution providing for the payment of transportation expenses of Members of the House of Representatives within the districts which they represent while on authorized trips to such districts; to the Committee on House Administration.

By Mr. RARICK:

H. Res. 497. Resolution to create a select committee to conduct a full and complete study of the demography of the United States with the view toward providing relief from racial tensions by more equal distribution of underprivileged racial groups throughout the several States and in the political subdivisions of each State; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII,

246. The SPEAKER presented a memorial of the Legislature of the State of Alabama, relative to discontinuances of passenger trains, which was referred to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BROWN of California:

H.R. 13147. A bill for the relief of Armando Neri Vila and Erlinda Sevilla Vila; to the Committee on the Judiciary.

By Mr. RODINO (by request):

H.R. 13148. A bill to provide compensation to certain industrial end-users claimants by authorizing the sale of silver bullion; to the Committee on the Judiciary.

By Mr. ROSTENKOWSKI:

H.R. 13149. A bill for the relief of Ofelia Manrique; to the Committee on the Judiciary.

By Mr. DONOHUE:

H. Res. 498. A resolution to refer the bill (H.R. 4498), entitled "a bill for the relief of Branka Mardessich and Sonia S. Silvani," to the Chief Commissioner of the Court of Claims pursuant to 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:

189. By the SPEAKER: Petition of Allan Feinblum, New York, N.Y., relative to establishment of a Department of Peace; to the Committee on Government Operations..

190. Also, petition of the Congress of Micronesia, Trust Territory of the Pacific Islands, relative to the future political status of Micronesia; to the Committee on Interior and Insular Affairs.

191. Also, petition of Clarence Martion, Sr., Washington, D.C., relative to redress of grievances; to the Committee on the Judiciary.

192. Also, petition of Khafre H. Sellers, Baltimore, Md., relative to redress of grievances; to the Committee on the Judiciary.

193. Also, petition of Henry Stoner, York, Pa., relative to commemorating the birth of the 400 millionth American; to the Committee on Post Office and Civil Service.

194. Also, petition of Allen Feinblum, New York, N.Y., relative to various proposed investigations; to the Committee on Rules.

195. Also, petition of the City Council, Greenville, S.C., relative to taxation of State and local government securities; to the Committee on Ways and Means.

196. Also, petition of the Niagara County Legislature, New York, relative to taxation of State and local government securities; to the Committee on Ways and Means.

197. Also, petition of the Board of Supervisors, Rockland County, N.Y., relative to taxation of State and local government securities; to the Committee on Ways and Means.

SENATE—*Monday, July 28, 1969*

The Senate met at 11 o'clock a.m. and was called to order by the Acting President pro tempore (Mr. METCALF).

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Let your light so shine before men, that they may see your good works, and glorify your Father which is in heaven.—Matthew 5: 16.

O God, our Father, to whom all hearts are open, all desires known, and from whom no secrets are hid, give us the cleansing and the strength of Thy presence. Help us all through this day that we may honor the office we hold, serve the Nation we love, bring credit to the name we bear and hope to those who trust us. Give us grace to persevere when things are difficult, to be cheerful when things go wrong, to be clear when things are confused, and to remain serene when things are turbulent. Make our lives beacons of goodness, truth and justice, and keep us so faithful to Thee that when the day is done we may know the peace which the world cannot give nor take away. Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Friday, July 25, 1969, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

WAIVER OF CALL OF THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the call of the legislative calendar under rule VIII be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

LIMITATION ON STATEMENTS DURING TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that at the conclusion of the speeches by the distinguished Senator from Hawaii (Mr. FONG) and the distinguished Senator from New Hampshire (Mr. MCINTYRE) there be a period for the transaction of routine morning business, with statements therein limited to 3 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. The Senator from Hawaii (Mr. FONG) is recognized at this time for not to exceed 50 minutes.

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. FONG. I yield to the distinguished Senator from Illinois without losing my right to the floor.

DECLASSIFICATION OF DOCUMENTS

Mr. DIRKSEN. Mr. President, the matter of declassification of additional documents that have been used from time to time in the hearings has come up. Actually, no procedure has been devised that formalizes it, and I suggested to the majority leader this morning that I thought in every case where declassification is sought by any Senator, if the Pentagon is willing to do so, it ought to be formalized through the Senate and that the Senate leaders ought to ask for unanimous consent to so declassify, on the recommendation of the Pentagon. If these requests arise, I believe that is the way they should be handled.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. MANSFIELD. The Senator does not refer to the use of classified documents being declassified so far as committees are concerned, only so far as the Senate is concerned.

Mr. DIRKSEN. That is right.

Mr. MANSFIELD. Mr. President, if my understanding of this matter is correct, if there is a secret or otherwise classified document under the jurisdiction and re-